Department of Social Services
MO HealthNet Division

Fiscal Year 2023 Budget Request
Book 6 of 7

Jennifer Tidball, Acting Director

Table of Contents

TABLE OF CONTENTS

MO HEALTHNET DIVISION – VOLUME 1

TABLE OF CONTENTS

MO HEALTHNET DIVISION – VOLUME 2

Department Request Summary

DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2023 BRASS SECTION SUMMARY

H.B. Sec.	Decision Item Name	2023 Department Request				
		FTE	GR	FF	OF	Total
11.600	**MO HealthNet Administration**					
	Core	224.20	12,077,596	21,485,220	3,390,646	36,953,462
	NDI - MHD CTC	19.50	1,690,011	1,778,973	0	3,468,984
	NDI - Pay Plan FY22 Cost to Continue	0.00	33,064	62,975	19,861	115,900
	Total	243.70	13,800,671	23,327,168	3,410,507	40,538,346
11.605	**Clinical Services Program Management**					
	Core	0.00	461,917	12,214,032	1,485,506	14,161,455
	Total	0.00	461,917	12,214,032	1,485,506	14,161,455
11.610	**MHD Transformation**					
	Core	6.00	6,372,858	27,621,718	0	33,994,576
	NDI - Pay Plan FY22 Cost to Continue	0.00	2,400	2,400	0	4,800
	Total	6.00	6,375,258	27,624,118	0	33,999,376
11.615	**TPL Contracts**					
	Core	0.00	0	4,250,000	4,250,000	8,500,000
	Total	0.00	0	4,250,000	4,250,000	8,500,000
11.620	**Information Systems**					
	Core	0.00	34,981,032	78,687,314	2,021,687	115,690,033
	NDI - MHC CTC	0.00	2,416,534	7,249,601	0	9,666,135
	NDI - MMIS Operational Cost	0.00	642,951	1,121,356	0	1,764,307
	NDI - MMIS BIS-EDW	0.00	500,000	4,500,000	0	5,000,000
	NDI - MMIS HIE	0.00	2,488,563	2,488,563	0	4,977,126
	NDI - MMIS Component Upgrades	0.00	1,893,750	5,681,250	0	7,575,000
	NDI - MMIS Interoperability Requirements	0.00	150,000	1,350,000	0	1,500,000
	NDI - MMIS Identity Access Management	0.00	500,000	4,500,000	0	5,000,000
	Total	0.00	43,572,830	105,578,084	2,021,687	151,172,601
11.625	**Electronic Health Records Incentives**					
	Core	0.00	0	10,000,000	0	10,000,000
	Total	0.00	0	10,000,000	0	10,000,000
11.630	**Hospital HIT**					
	Core	0.00	0	9,000,000	1,000,000	10,000,000
	Total	0.00	0	9,000,000	1,000,000	10,000,000
11.635	**HITECH**					
	Core	0.00	1,000,000	9,000,000	0	10,000,000
	Total	0.00	1,000,000	9,000,000	0	10,000,000
11.640	**Money Follows the Person**					
	Core	0.00	0	532,549	0	532,549
	NDI - Money Follows the Person CTC	0.00	0	1,000,000	0	1,000,000
	Total	0.00	0	1,532,549	0	1,532,549
11.700	**Pharmacy**					
	Core	0.00	125,793,750	901,650,626	293,387,828	1,320,832,204
	NDI - MHD CTC	0.00	86,250,289	500,347,748	14,740,625	601,338,662
	NDI - CHIP Authority CTC	0.00	0	28,795,199	0	28,795,199
	NDI - Pharmacy Specialty PMPM	0.00	13,066,135	25,859,489	0	38,925,624
	NDI - Pharmacy Non-Specialty PMPM	0.00	1,614,169	3,024,275	0	4,638,444
	Total	0.00	226,724,343	1,459,677,337	308,128,453	1,994,530,133
11.700	**Pharmacy - Medicare Part D Clawback**					
	Core	0.00	220,978,651	0	0	220,978,651
	NDI - MHD CTC	0.00	30,463,990	0	0	30,463,990
	Total	0.00	251,442,641	0	0	251,442,641
11.705	**Missouri Rx Plan**					
	Core	0.00	3,765,778	0	2,788,774	6,554,552
	Total	0.00	3,765,778	0	2,788,774	6,554,552
11.710	**Pharmacy FRA**					
	Core	0.00	0	0	108,000,000	108,000,000
	Total	0.00	0	0	108,000,000	108,000,000

DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2023 BRASS SECTION SUMMARY

H.B. Sec.	Decision Item Name	2023 Department Request				
		FTE	GR	FF	OF	Total
11.715	**Physician Related Prof**					
	Core	0.00	174,061,158	350,304,313	1,678,127	526,043,598
	NDI - MHD CTC	0.00	5,431,979	20,643,224	0	26,075,203
	NDI- CHIP Authority CTC	0.00	0	1,558,546	0	1,558,546
	Total	0.00	179,493,137	372,506,083	1,678,127	553,677,347
11.715	**Trauma Treatment**					
	Core	0.00	430,150	819,850	0	1,250,000
	Total	0.00	430,150	819,850	0	1,250,000
11.715	**PACE**					
	Core	0.00	1,475,248	2,910,151	0	4,385,399
	Total	0.00	1,475,248	2,910,151	0	4,385,399
11.715	**CCBHO**					
	Core	0.00	19,421,589	56,561,052	0	75,982,641
	NDI - MHD CTC	0.00	12,307,255	35,693,774	0	48,001,029
	Total	0.00	31,728,844	92,254,826	0	123,983,670
11.720	**Dental**					
	Core	0.00	1,092,243	2,333,282	71,162	3,496,687
	NDI - MHD CTC	0.00	294,718	536,947	0	831,665
	Total	0.00	1,386,961	2,870,229	71,162	4,328,352
11.725	**Premium Payments**					
	Core	0.00	89,302,290	190,770,659	0	280,072,949
	NDI - Premium Increase	0.00	5,739,018	12,343,482	0	18,082,500
	Total	0.00	95,041,308	203,114,141	0	298,155,449
11.730	**Nursing Facilities**					
	Core	0.00	120,347,406	362,422,840	65,509,459	548,279,705
	Total	0.00	120,347,406	362,422,840	65,509,459	548,279,705
11.730	**Home Health**					
	Core	0.00	1,215,439	2,670,394	159,305	4,045,138
	Total	0.00	1,215,439	2,670,394	159,305	4,045,138
11.735	**Nursing Facility FRA**					
	Core	0.00	0	0	364,882,362	364,882,362
	Total	0.00	0	0	364,882,362	364,882,362
11.740	**Long Term Support Payments**					
	Core	0.00	0	7,182,390	3,768,378	10,950,768
	Total	0.00	0	7,182,390	3,768,378	10,950,768
11.745	**Rehab & Specialty Services**					
	Core	0.00	52,199,190	137,935,580	27,075,641	217,210,411
	NDI - MHD CTC	0.00	21,888,371	0	0	21,888,371
	NDI - Hospice Rate Increase	0.00	145,335	282,248	0	427,583
	Total	0.00	74,232,896	138,217,828	27,075,641	239,526,365
11.745	**NEMT**					
	Core	0.00	17,251,515	39,963,261	0	57,214,776
	NDI- MHD CTC	0.00	929,873	1,819,703	0	2,749,576
	NDI - NEMT Actuarial Increase	0.00	758,558	1,496,372	0	2,254,930
	Total	0.00	18,939,946	43,279,336	0	62,219,282
11.750	**Ground Emer Med Transport**					
	Core	0.00	0	55,422,158	28,538,088	83,960,246
	Total	0.00	0	55,422,158	28,538,088	83,960,246
11.755	**Complex Rehab Technology Products**					
	Core	0.00	4,062,132	7,888,686	0	11,950,818
	Total	0.00	4,062,132	7,888,686	0	11,950,818

H.B. Sec.	Decision Item Name	2023 Department Request				
		FTE	GR	FF	OF	Total
11.760	**Managed Care**					
	Core	0.00	418,378,476	1,321,749,140	257,607,913	1,997,735,529
	NDI - MHD CTC	0.00	130,912,811	1,560,850,139	46,759,701	1,738,522,651
	NDI - MC Actuarial Increase	0.00	58,457,766	173,929,981	0	232,387,747
	NDI - Family First CTC	0.00	4,584,423	0	0	4,584,423
	Total	0	612,333,476	3,056,529,260	304,367,614	3,973,230,350
11.765	**Hospital Care**					
	Core	0.00	36,975,411	386,165,393	163,012,446	586,153,250
	NDI - MHD CTC	0.00	8,532,106	3,788,124	0	12,320,230
	Total	0.00	45,507,517	389,953,517	163,012,446	598,473,480
11.770	**Physician Payments for Safety Net**					
	Core	0.00	0	16,113,590	209,202	16,322,792
	Total	0.00	0	16,113,590	209,202	16,322,792
11.775	**FQHC Distribution and Women and Minority**					
	Core	0.00	2,287,528	2,068,625	0	4,356,153
	Total	0.00	2,287,528	2,068,625	0	4,356,153
11.780	**Technical Assistance Contracts**					
	Core	0.00	1,918,645	3,726,090	0	5,644,735
	Total	0.00	1,918,645	3,726,090	0	5,644,735
11.785	**Health Homes**					
	Core	0.00	4,292,921	17,575,037	6,027,694	27,895,652
	NDI - MHD CTC	0.00	1,330,100	0	0	1,330,100
	NDI- CHIP Authority CTC	0.00	0	287,787	0	287,787
	Total	0.00	5,623,021	17,862,824	6,027,694	29,513,539
11.790	**Federal Reimbursement Allowance**					
	Core	0.00	0	0	1,712,194,972	1,712,194,972
	NDI - MHD CTC	0.00	0	0	124,768,460	124,768,460
	NDI - CHIP Federal Funds CTC	0.00	0	103,540,136	0	103,540,136
	Total	0.00	0	103,540,136	1,836,963,432	1,940,503,568
11.795	**IGT Safety Net Hospitals**					
	Core	0.00	0	25,176,772	12,964,074	38,140,846
	Total	0.00	0	25,176,772	12,964,074	38,140,846
11.800	**CHIP**					
	Core	0.00	21,603,057	93,906,404	7,719,204	123,228,665
	NDI - MHD CTC	0.00	4,540,726	14,620,986	0	19,161,712
	NDI - MC Actuarial Increase	0.00	1,305,966	4,182,439	0	5,488,405
	Total	0.00	27,449,749	112,709,829	7,719,204	147,878,782
11.805	**Show Me Babies**					
	Core	0.00	12,772,474	40,791,274	0	53,563,748
	NDI - MC Actuarial Increase	0.00	1,010,427	3,235,957	0	4,246,384
	Total	0.00	13,782,901	44,027,231	0	57,810,132
11.810	**School District Medicaid Claiming**					
	Core	0.00	242,525	41,653,770	0	41,896,295
	NDI - School District Claiming Authority	0.00	0	16,000,000	0	16,000,000
	Total	0.00	242,525	41,653,770	0	41,896,295
11.815	**Blind Pension Medical Benefits**					
	Core	0.00	20,765,956	0	0	20,765,956
	Total	0.00	20,765,956	0	0	20,765,956
11.850	**IGT Transfer**					
	Core	0.00	0	0	137,074,165	137,074,165
	Total	0.00	0	0	137,074,165	137,074,165
11.855	**IGT DMH Medicaid Programs**					
	Core	0.00	0	500,077,646	207,740,879	707,818,525
	Total	0.00	0	500,077,646	207,740,879	707,818,525

DEPARTMENT OF SOCIAL SERVICES
FISCAL YEAR 2023 BRASS SECTION SUMMARY

H.B. Sec.	Decision Item Name	2023 Department Request				
		FTE	GR	FF	OF	Total
11.860	**GR Pharmacy FRA Transfer**					
	Core	0.00	38,737,111	0	0	38,737,111
	Total	0.00	38,737,111	0	0	38,737,111
11.865	**Pharmacy FRA Transfer**					
	Core	0.00	0	0	38,737,111	38,737,111
	Total	0.00	0	0	38,737,111	38,737,111
11.870	**Ambulance SRV Reim Allow Transfer**					
	Core	0.00	20,837,332	0	0	20,837,332
	Total	0.00	20,837,332	0	0	20,837,332
11.875	**GR Ambulance SRV Reim Allow Transfer**					
	Core	0.00	0	0	20,837,332	20,837,332
	Total	0.00	0	0	20,837,332	20,837,332
11.880	**GR FRA Transfer**					
	Core	0.00	653,701,378	0	0	653,701,378
	NDI - MHD CTC	0.00	65,000,000	0	0	65,000,000
	Total	0.00	718,701,378	0	0	718,701,378
11.885	**FRA Transfer**					
	Core	0.00	0	0	653,701,378	653,701,378
	NDI - MHD CTC	0.00	0	0	65,000,000	65,000,000
	Total	0.00	0	0	718,701,378	718,701,378
11.890	**GR NFFRA Transfer**					
	Core	0.00	210,950,510	0	0	210,950,510
	Total	0.00	210,950,510	0	0	210,950,510
11.895	**Nursing Facility Reimbursement Transfer**					
	Core	0.00	0	0	210,950,510	210,950,510
	Total	0.00	0	0	210,950,510	210,950,510
11.900	**Nursing Facility Quality Transfer**					
	Core	0.00	0	0	1,500,000	1,500,000
	Total	0.00	0	0	1,500,000	1,500,000
11.800	**DSS Legal Expense Fund TRF**					
	Core	0.00	1	0	0	1
	Total	0.00	1	0	0	1

	MHD Core Total	230.20	2,329,753,267	4,740,629,816	4,338,283,843	11,408,666,926
	MHD NDI Total	19.50	464,881,288	2,542,571,674	251,288,647	3,258,741,609
	Less MHD Non Counts	0.00	(989,226,332)	(500,077,646)	(1,335,541,375)	(2,564,845,353)
	Total MHD	249.70	1,805,408,223	6,783,123,844	3,254,031,115	12,102,563,182

Crossing Issues

NDI - Managed Care Actuarial Rate Increase

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   90551C, 90556C, 88855C
Division: MO HealthNet Division
DI Name: Managed Care Actuarial Increase   **DI# 1886030**   **HB Section:**   11.760, 11.800, 11.805

1. AMOUNT OF REQUEST

	FY 2023 Budget Request						FY 2023 Governor's Recommendation			
	GR	Federal	Other	Total			GR	Federal	Other	Total
PS	0	0	0	0		PS	0	0	0	0
EE	0	0	0	0		EE	0	0	0	0
PSD	60,774,159	181,348,377	0	242,122,536		PSD	0	0	0	0
TRF	0	0	0	0		TRF	0	0	0	0
Total	**60,774,159**	**181,348,377**	**0**	**242,122,536**		Total	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00		FTE	0.00	0.00	0.00	0.00

Est. Fringe	*0*	*0*	*0*	*0*		*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

                                                                           Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A   Other Funds:
Non-Counts: N/A   Non-Counts:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

NEW DECISION ITEM

Department: Social Services   **Budget Unit:** **90551C, 90556C, 88855C**
Division: MO HealthNet Division
DI Name: Managed Care Actuarial Increase   **DI# 1886030**   **HB Section:** **11.760, 11.800, 11.805**

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This NDI is needed to fund an increase for managed care medical, newborn delivery, and Neonatal Intensive Care Unit (NICU) services to ensure that managed care payments are actuarially sound. The FY23 rates are based on an estimated budget trend developed utilizing actuarial standards which consider historical trends in utilization and inflation, budget and legislative changes, and federal requirements.

MO HealthNet needs to maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. The Federal Authority is Social Security Act Section 1915(b) and 1115 Waiver. The Federal Regulation is 42 CFR 438-Managed Care, and the State Authority is Section 208.166, RSMo. Final federal rules and regulations published June 14, 2002, effective August 13, 2003, require that capitation payments made on behalf of managed care participants be actuarially sound. Further, the state must provide the actuarial certification of the capitation rates to the CMS. The CMS Regional Office must review and approve all contracts for managed care as a condition for federal financial participation.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The chart below details the projected need for all medical services, as well as the births of children and Neonatal Intensive Care Unit (NICU) care for newborns in need of specialized care. Pharmacy benefits were carved out of managed care beginning October 1, 2009; therefore, participants receive their pharmacy benefits through the fee-for-service program. The FY23 rates are based on an estimated budget trend developed utilizing actuarial standards which consider historical trends in utilization and inflation, budget and legislative changes, and federal requirements.

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90551C, 90556C, 88855C**
Division: MO HealthNet Division
DI Name: Managed Care Actuarial Increase   **DI# 1886030**   **HB Section:**   **11.760, 11.800, 11.805**

Program	Region	FY22	FY23	Difference	Participants	Contract Months in FY21	Total
Medical-Managed Care	Eastern	$232.74	$246.96	$14.22	183,373	12	$31,291,413
Medical-Managed Care	Central	$245.29	$262.07	$16.78	152,566	12	$30,728,326
Medical-Managed Care	Western	$248.84	$264.54	$15.70	124,132	12	$23,384,713
Medical-Managed Care	SW	$216.71	$231.56	$14.86	105,758	12	$18,854,662
						subtotal Managed Care	$104,259,114
Medical TIXXI CHIP-Child	Eastern	$238.55	$253.82	$15.27	9,052	12	$1,658,459
Medical TIXXI CHIP-Child	Central	$212.40	$224.51	$12.11	9,261	12	$1,345,405
Medical TIXXI CHIP-Child	Western	$279.41	$295.34	$15.93	7,036	12	$1,344,728
Medical TIXXI CHIP-Child	SW	$206.80	$221.07	$14.27	6,657	12	$1,139,813
						subtotal TIXXI CHIP Children	$5,488,405
Medical Prenatal Services for Unborn-Show Me Healthy Babies	Eastern	$444.30	$506.95	$62.65	1441	12	$1,083,092
Medical Prenatal Services for Unborn-Show Me Healthy Babies	Central	$438.42	$499.36	$60.94	946	12	$691,978
Medical Prenatal Services for Unborn-Show Me Healthy Babies	Western	$511.62	$569.43	$57.81	1590	12	$1,103,372
Medical Prenatal Services for Unborn-Show Me Healthy Babies	SW	$370.94	$418.79	$47.85	945	12	$542,553
Medical First Year following birth-Show Me Healthy Babies	Eastern	$561.56	$583.46	$21.90	847	12	$222,531
Medical First Year following birth-Show Me Healthy Babies	Central	$403.01	$418.72	$15.72	642	12	$121,133
Medical First Year following birth-Show Me Healthy Babies	Western	$561.65	$584.12	$22.47	844	12	$227,552
Medical First Year following birth-Show Me Healthy Babies	SW	$427.68	$443.93	$16.25	547	12	$106,646
						subtotal SMHB	$4,098,857
Medical-Managed Care-COA 6 population growth	Eastern	$532.87	$564.31	$31.44	72406	12	$27,314,261
Medical-Managed Care-COA 6 population growth	Central	$583.41	$617.83	$34.42	57764	12	$23,860,519
Medical-Managed Care-COA 6 population growth	Western	$557.87	$590.78	$32.91	48915	12	$19,318,287
Medical-Managed Care-COA 6 population growth	SW	$543.79	$575.87	$32.08	39193	12	$15,087,713
						subtotal COA growth	$85,580,780

Total Need Medical Trend $199,427,156

NEW DECISION ITEM

Department: Social Services   **Budget Unit:** **90551C, 90556C, 88855C**
Division: MO HealthNet Division
DI Name: Managed Care Actuarial Increase   **DI# 1886030**   **HB Section:** **11.760, 11.800, 11.805**

Program	Region	FY22	FY23	Difference	Participants	Contract Months in FY20	Total
Deliveries-Managed Care, CHIP, SMHB	Eastern	$6,428.56	$6,479.99	$51.43	728	12	$449,125
Deliveries-Managed Care, CHIP, SMHB	Central	$5,143.91	$5,179.92	$36.01	604	12	$260,837
Deliveries-Managed Care, CHIP, SMHB	Western	$4,880.61	$4,924.54	$43.93	489	12	$257,711
Deliveries-Managed Care, CHIP, SMHB	SW	$4,741.33	$4,765.04	$23.71	441	12	$125,337
				subtotal Managed Care, SMHB and CHIP Deliveries			$1,093,010
				Total Need Deliveries Trend			$1,093,010
NICU-Managed Care, CHIP, SMHB	Eastern	$228,525.50	$233,096.01	$4,570.51	16	12	$868,397
NICU-Managed Care, CHIP, SMHB	Central	$190,993.90	$194,813.78	$3,819.88	9	12	$412,547
NICU-Managed Care, CHIP, SMHB	Western	$188,959.74	$192,738.93	$3,779.19	8	12	$366,582
NICU-Managed Care, CHIP, SMHB	SW	$161,535.04	$164,765.74	$3,230.70	5	12	$209,996
				subtotal Managed Care, SMHB and CHIP NICU			$1,857,522

Total Need NICU Trend $1,857,522
***Total Need Medical, Deliveries and NICU* $202,377,688**

	Total	GR	Federal
Managed Care	192,642,899	44,948,492	147,694,407
CHIP	5,488,405	1,305,966	4,182,439
SMHB	4,246,384	1,010,427	3,235,957
	$202,377,688	**$47,264,885**	**$155,112,803**

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90551C, 90556C, 88855C**
Division: MO HealthNet Division
DI Name: Managed Care Actuarial Increase   **DI# 1886030**   **HB Section:**   **11.760, 11.800, 11.805**

The chart below details the projected need for all medical services, as well as mental health services that were previously carved out of managed care. Behavioral Health and Residential Carve-In Services (BHRCS), along with a few additional BH residential services will shift from fee-for-service (FFS) to be covered by managed care (MC) effective July 1, 2022.   An actuarial study was performed and found that approximately $135 million will be reallocated from FFS to MC. Pharmacy benefits will continue to be carved out of managed care; therefore, participants receive their pharmacy benefits through the fee-for-service program. The FY23 rates are based on an estimated budget trend developed utilizing actuarial standards which consider historical trends in utilization and inflation, budget and legislative changes, and federal requirements.

Program	Region	FY22	FY23	Difference	Participants	Contract Months in	Total
Managed Care	Eastern	$285.08	$617.48	$332.40	11,447	12	$45,660,577
Managed Care	Central	$214.78	$616.63	$401.85	11,796	12	$56,883,551
Managed Care	Western	$321.01	$621.80	$300.79	8,556	12	$30,881,436
Managed Care	SW	$176.33	$617.33	$441.00	7,933	12	$41,981,122

Estimated Budget Trend	$175,406,686
Reallocation from FFS	$135,661,838
Total BHRCS Request	$39,744,848

	FMAP	Total	GR	Federal
Managed Care	66.01%	39,744,848	13,509,274	26,235,574
		$39,744,848	**$13,509,274**	**$26,235,574**

Total Request	GR	Federal
$242,122,536	**$60,774,159**	**$181,348,377**

Department: Social Services   **Budget Unit:**   90551C, 90556C, 88855C
Division: MO HealthNet Division
DI Name: Managed Care Actuarial Increase   **DI# 1886030**   **HB Section:**   11.760, 11.800, 11.805

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	**Dept Req GR DOLLARS**	**Dept Req GR FTE**	**Dept Req FED DOLLARS**	**Dept Req FED FTE**	**Dept Req OTHER DOLLARS**	**Dept Req OTHER FTE**	**Dept Req TOTAL DOLLARS**	**Dept Req TOTAL FTE**	**Dept Req One-Time DOLLARS**
800 - Program Distributions	60,774,159	0.0	181,348,377	0.0	0	0.0	242,122,536	0.0	0
Total PSD	**60,774,159**	**0.0**	**181,348,377**	**0.0**	**0**	**0.0**	**242,122,536**	**0.0**	**0**
Grand Total	**60,774,159**	**0.0**	**181,348,377**	**0.0**	**0**	**0.0**	**242,122,536**	**0.0**	**0.0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

    6a.   **Provide an activity measure(s) for the program.**

        Please see the Managed Care core section for performance measures.

    6b.   **Provide a measure(s) of the program's quality.**

        Please see the Managed Care core section for performance measures.

    6c.   **Provide a measure(s) of the program's impact.**

        Please see the Managed Care core section for performance measures.

    6d.   **Provide a measure(s) of the program's efficiency.**

        Please see the Managed Care core section for performance measures.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MANAGED CARE								
Managed Care (MC) Actuarial In - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	232,387,747	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**232,387,747**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$232,387,747**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$58,457,766	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$173,929,981	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
CHILDREN'S HEALTH INS PROGRAM								
Managed Care (MC) Actuarial In - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	5,488,405	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**5,488,405**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$5,488,405**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,305,966**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$4,182,439**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
SHOW-ME BABIES								
Managed Care (MC) Actuarial In - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,246,384	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**4,246,384**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$4,246,384**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,010,427**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$3,235,957**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

NDI – CHIP Authority Cost to Continue

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **Various**
Division: MO HealthNet Division
DI Name: CHIP Federal Funds   **DI# 1886041**   **HB Section:**   **Various**

1. AMOUNT OF REQUEST				

	FY 2023 Budget Request			
	GR	**Federal**	**Other**	**Total**
PS	0	0	0	0
EE	0	0	0	0
PSD	0	134,181,668	0	134,181,668
TRF	0	0	0	0
Total	**0**	**134,181,668**	**0**	**134,181,668**
FTE	**0.00**	**0.00**	**0.00**	**0.00**

	FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**
PS	0	0	0	0
EE	0	0	0	0
PSD	0	0	0	0
TRF	0	0	0	0
Total	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**

Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A

Other Funds:

Non-Counts: N/A

Non-Counts:

2. THIS REQUEST CAN BE CATEGORIZED AS:		
New Legislation	New Program	Fund Switch
Federal Mandate	Program Expansion	Cost to Continue
GR Pick-Up	Space Request	Equipment Replacement
Pay Plan	**X** Other: Federal authority	

NEW DECISION ITEM

Department: Social Services
Division: MO HealthNet Division
DI Name: CHIP Federal Funds   DI# 1886041

Budget Unit: **Various**

HB Section: **Various**

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This funding request is due to the creation and guidance of the new CHIP Federal Fund (0159).

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Due to the creation and guidance of the new CHIP Federal Fund (0159) for SFY22, DSS requires additional authority to expend CHIP earnings that are deposited into the fund. New appropriations will be needed for PS, EE, Medicaid expenditures, Health Homes, and authority in the Hospital FRA section. Funding out of the CHIP federal fund will be handled through reallocation for PS and EE, the remaining sections will require additional authority due to shortfall in the existing programs.

Phamacy (Section 11.700)	$ 28,795,199
Physician (Section 11.715)	$ 1,558,546
Health Homes (Section 11.785)	$ 287,787
Hospital FRA (HB 11.790)	$ 103,540,136
TOTAL CHIP FUNDS	**$ 134,181,668**

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **Various**
Division: MO HealthNet Division
DI Name: CHIP Federal Funds   **DI# 1886041**   **HB Section:**   **Various**

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5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
800 - Program Distributions	0	0.0	134,181,668	0.0	0	0.0	0	0.0	0
Total PSD	**0**	**0.0**	**134,181,668**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Grand Total	**0**	**0.0**	**134,181,668**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0.0**

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6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a.   **Provide an activity measure(s) for the program.**   **6b.**   **Provide a measure(s) of the program's quality.**

See various program descriptions for measures.   See various program descriptions for measures.

6c.   **Provide a measure(s) of the program's impact.**   **6d.**   **Provide a measure(s) of the program's efficiency.**

See various program descriptions for measures.   See various program descriptions for measures.

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7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY								
CHIP Authority CTC - 1886041								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	28,795,199	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**28,795,199**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$28,795,199**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$28,795,199	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHYSICIAN RELATED PROF								
CHIP Authority CTC - 1886041								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,558,546	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,558,546**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,558,546**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$1,558,546	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
HEALTH HOMES								
CHIP Authority CTC - 1886041								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	287,787	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**287,787**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$287,787**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$287,787**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
FED REIMB ALLOWANCE								
CHIP Authority CTC - 1886041								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	103,540,136	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**103,540,136**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$103,540,136**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$103,540,136**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Core - MO HealthNet Administration

CORE DECISION ITEM

Department: Social Services   **Budget Unit:**   **90512C**
Division: MO HealthNet
Core: MO HealthNet Administration   **HB Section:**   **11.600**

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS	3,339,291	6,360,774	2,005,484	11,705,549	**PS**	0	0	0	0
EE	8,738,305	15,124,446	1,385,162	25,247,913	**EE**	0	0	0	0
PSD	0	0	0	0	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**12,077,596**	**21,485,220**	**3,390,646**	**36,953,462**	**Total**	**0**	**0**	**0**	**0**
FTE	**64.90**	**113.69**	**45.61**	**224.20**	**FTE**	**0.00**	**0.00**	**0.00**	**0.00**

Est. Fringe	2,079,656	3,814,402	1,347,129	7,241,187	***Est. Fringe***	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:
Pharmacy Reimbursement Allowance Fund (0144) - $28,400
Health Initiatives Fund (HIF) (0275) - $503,657
Nursing Facility Quality of Care Fund (NFQC) (0271) - $101,695
Third Party Liability Collections Fund (TPL) (0120) - $918,051
MO Rx Plan Fund (0779) - $376,218
Federal Reimbursement Allowance Fund (FRA) (0142) - $339,961
Ambulance Service Reimbursement Allowance Fund (0958) - $148,024
Ground Emergency Medical Transportation Fund (GEMT) (0422) - $472,724
Pharmacy Rebates Fund (0114) - $498,916
Life Sciences Research Fund (0763) - $3,000

Other Funds:

2. CORE DESCRIPTION

The MO HealthNet Administration appropriation provides funding for the salaries and associated expense and equipment for the Central Office management and support staff. Funding from this appropriation is also used to support ongoing expense and equipment costs. MO HealthNet Division staff assist participants and providers.

3. PROGRAM LISTING (list programs included in this core funding)

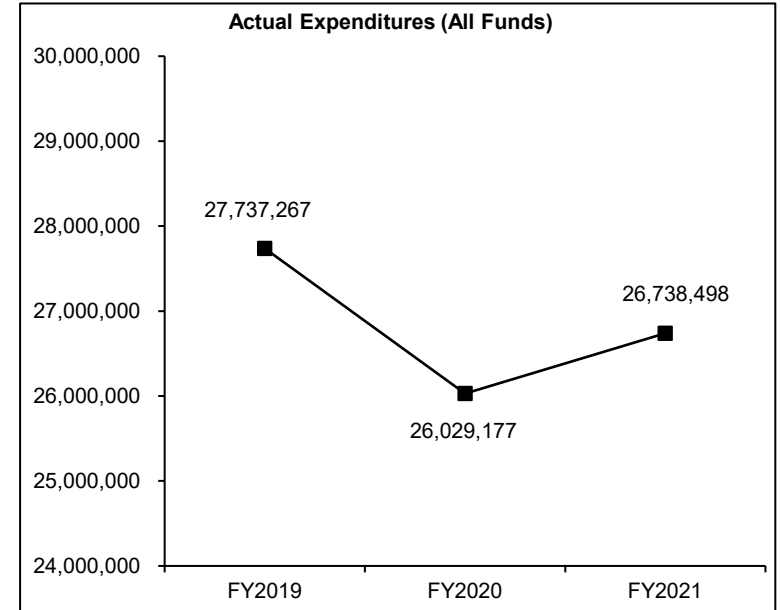MO HealthNet Administration

CORE DECISION ITEM

Department: Social Services   **Budget Unit:**   **90512C**
Division: MO HealthNet
Core: MO HealthNet Administration   **HB Section:**   **11.600**

4. FINANCIAL HISTORY

	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Current Yr.
Appropriation (All Funds)	31,936,366	36,585,758	37,797,562	36,953,462
Less Reverted (All Funds)	(372,313)	(375,999)	(375,709)	(377,438)
Less Restricted (All Funds)	0	(1,000,000)	0	0
Budget Authority (All Funds)	31,564,053	35,209,759	37,421,853	36,576,024
Actual Expenditures (All Funds)	27,737,267	26,029,177	26,738,498	N/A
Unexpended (All Funds)	3,826,786	9,180,582	10,683,355	N/A
Unexpended, by Fund:				
General Revenue	18,334	1,948,808	2,102,775	N/A
Federal	3,450,143	7,014,112	7,311,330	N/A
Other	358,309	217,662	1,269,250	N/A
	(1)	(2)		

Actual Expenditures (All Funds)

Chart values: FY2019 27,737,267; FY2020 26,029,177; FY2021 26,738,498

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

(1) FY19 - Funding was reallocated from various program lines to the MHD Administration section to pay for contract expenditures.

(2) FY20 - The Department limited all nonessential expense and equipment purchases due to revenue shortfalls as a result of the COVID pandemic. $125,000 Ambulance Service FRA (0958) fund transferred in to cover program expenditures. $1 Million GR was placed in restriction in FY20.

DEPARTMENT OF SOCIAL SERVICES
MO HEALTHNET ADMIN

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PS	224.20	3,339,291	6,360,774	2,005,484	11,705,549	
		EE	0.00	8,738,305	15,124,446	1,385,162	25,247,913	
		Total	224.20	12,077,596	21,485,220	3,390,646	36,953,462	
DEPARTMENT CORE ADJUSTMENTS								
Core Reallocation	1263 6496	EE	0.00	0	(750,000)	0	(750,000)	Reallocating MOM Grant to core appropriation.
Core Reallocation	1263 0215	EE	0.00	0	750,000	0	750,000	Reallocating MOM Grant to core appropriation.
NET DEPARTMENT CHANGES			**0.00**	**0**	**0**	**0**	**0**	
DEPARTMENT CORE REQUEST								
		PS	224.20	3,339,291	6,360,774	2,005,484	11,705,549	
		EE	0.00	8,738,305	15,124,446	1,385,162	25,247,913	
		Total	224.20	12,077,596	21,485,220	3,390,646	36,953,462	
GOVERNOR'S RECOMMENDED CORE								
		PS	224.20	3,339,291	6,360,774	2,005,484	11,705,549	
		EE	0.00	8,738,305	15,124,446	1,385,162	25,247,913	
		Total	224.20	12,077,596	21,485,220	3,390,646	36,953,462	

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MO HEALTHNET ADMIN								
CORE								
PERSONAL SERVICES								
GENERAL REVENUE	3,206,939	60.27	3,339,291	64.90	3,339,291	64.90	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	6,042,721	117.01	6,360,774	113.69	6,360,774	113.69	0	0.00
PHARMACY REBATES	438,971	8.20	443,363	9.04	443,363	9.04	0	0.00
THIRD PARTY LIABILITY COLLECT	424,120	8.39	430,010	12.30	430,010	12.30	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	90,557	1.80	107,253	2.01	107,253	2.01	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	28,044	0.50	28,044	0.50	0	0.00
NURSING FAC QUALITY OF CARE	79,623	1.61	91,414	2.45	91,414	2.45	0	0.00
HEALTH INITIATIVES	428,859	8.42	462,272	9.85	462,272	9.85	0	0.00
GROUND EMERGENCY MED TRANSPORT	46,645	0.77	47,352	1.00	47,352	1.00	0	0.00
MISSOURI RX PLAN FUND	0	0.00	376,218	7.96	376,218	7.96	0	0.00
AMBULANCE SERVICE REIMB ALLOW	0	0.00	19,558	0.50	19,558	0.50	0	0.00
TOTAL - PS	10,758,435	206.47	11,705,549	224.20	11,705,549	224.20	0	0.00
EXPENSE & EQUIPMENT								
GENERAL REVENUE	6,287,761	0.00	8,738,305	0.00	8,738,305	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	8,981,873	0.00	15,124,446	0.00	15,124,446	0.00	0	0.00
PHARMACY REBATES	0	0.00	55,553	0.00	55,553	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	221,140	0.00	488,041	0.00	488,041	0.00	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	134,608	0.00	232,708	0.00	232,708	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	242	0.00	356	0.00	356	0.00	0	0.00
NURSING FAC QUALITY OF CARE	8,663	0.00	10,281	0.00	10,281	0.00	0	0.00
HEALTH INITIATIVES	40,143	0.00	41,385	0.00	41,385	0.00	0	0.00
GROUND EMERGENCY MED TRANSPORT	47,991	0.00	425,372	0.00	425,372	0.00	0	0.00
LIFE SCIENCES RESEARCH TRUST	0	0.00	3,000	0.00	3,000	0.00	0	0.00
AMBULANCE SERVICE REIMB ALLOW	125,000	0.00	128,466	0.00	128,466	0.00	0	0.00
TOTAL - EE	15,847,421	0.00	25,247,913	0.00	25,247,913	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	66,321	0.00	0	0.00	0	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	66,321	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	132,642	0.00	0	0.00	0	0.00	0	0.00
TOTAL	**26,738,498**	**206.47**	**36,953,462**	**224.20**	**36,953,462**	**224.20**	**0**	**0.00**

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MO HEALTHNET ADMIN								
MHD CTC - 1886029								
PERSONAL SERVICES								
GENERAL REVENUE	0	0.00	0	0.00	403,923	8.75	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	481,449	10.75	0	0.00
TOTAL - PS	0	0.00	0	0.00	885,372	19.50	0	0.00
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	1,286,088	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	1,297,524	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	2,583,612	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**3,468,984**	**19.50**	**0**	**0.00**
Pay Plan FY22-Cost to Continue - 0000013								
PERSONAL SERVICES								
GENERAL REVENUE	0	0.00	0	0.00	33,064	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	62,975	0.00	0	0.00
PHARMACY REBATES	0	0.00	0	0.00	4,391	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	4,258	0.00	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	1,062	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	280	0.00	0	0.00
NURSING FAC QUALITY OF CARE	0	0.00	0	0.00	908	0.00	0	0.00
HEALTH INITIATIVES	0	0.00	0	0.00	4,576	0.00	0	0.00
GROUND EMERGENCY MED TRANSPORT	0	0.00	0	0.00	469	0.00	0	0.00
MISSOURI RX PLAN FUND	0	0.00	0	0.00	3,724	0.00	0	0.00
AMBULANCE SERVICE REIMB ALLOW	0	0.00	0	0.00	193	0.00	0	0.00
TOTAL - PS	0	0.00	0	0.00	115,900	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**115,900**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$26,738,498**	**206.47**	**$36,953,462**	**224.20**	**$40,538,346**	**243.70**	**$0**	**0.00**

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90512C **BUDGET UNIT NAME: MO HealthNet Administration** **HOUSE BILL SECTION: 11.600**	**DEPARTMENT:** Social Services **DIVISION:** MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

<div align="center">

Department Request

</div>

.25% of flexibility is requested between sections 11.600 (MHD Admin), 11.620 (Information Systems), 11.700 (Pharmacy and Clawback), 11.715 (Physician Related Prof), 11.730 (Nursing Facilities and Home Health), 11.745 (Rehab Specialty Services and NEMT), 11.750 (GEMT), 11.760 (Managed Care), and 11.765 (Hospital Care).

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
$0	DSS will flex up to .25% between sections.	Up to .25% flexibility will be used.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
N/A	Flex is to be used in the Administration and Information System sections that allows MHD to pay for contractual expenditures to allow MHD to continue oversight and operation of the Medicaid program.

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90512C BUDGET UNIT NAME: MO HealthNet Administration HOUSE BILL SECTION: 11.600	DEPARTMENT: Social Services DIVISION: MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

<div align="center">

Department Request

</div>

20% flexibility is requested between funds 0159 and 0163 and 0159 and 0610 in sections 11.600 (MHD Admin), 11.700 (Pharmacy), 11.715 (Physician Related Prof), 11.785 (Health Home), and 11.790 (FRA).

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
N/A	N/A	Up to 20% flexibility will be used.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
N/A	Flex is needed between federal funds due to the fluctuations between Title XIX and CHIP Medicaid populations and expenditures.

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MO HEALTHNET ADMIN								
CORE								
ADMIN OFFICE SUPPORT ASSISTANT	11,458	0.38	0	0.00	0	0.00	0	0.00
SR OFFICE SUPPORT ASSISTANT	3,481	0.13	0	0.00	0	0.00	0	0.00
BUYER III	602	0.01	0	0.00	0	0.00	0	0.00
BUYER IV	737	0.01	0	0.00	0	0.00	0	0.00
AUDITOR II	3,848	0.09	0	0.00	0	0.00	0	0.00
AUDITOR I	1,674	0.04	0	0.00	0	0.00	0	0.00
SENIOR AUDITOR	8,449	0.17	0	0.00	0	0.00	0	0.00
BUDGET ANAL III	2,084	0.04	0	0.00	0	0.00	0	0.00
ACCOUNTING GENERALIST I	2,773	0.09	0	0.00	0	0.00	0	0.00
ACCOUNTING GENERALIST II	1,614	0.04	0	0.00	0	0.00	0	0.00
PERSONNEL OFFICER	2,007	0.04	0	0.00	0	0.00	0	0.00
PERSONNEL ANAL II	1,866	0.04	0	0.00	0	0.00	0	0.00
EXECUTIVE I	1,421	0.04	0	0.00	0	0.00	0	0.00
MANAGEMENT ANALYSIS SPEC II	25,154	0.50	0	0.00	0	0.00	0	0.00
PHYSICIAN	5,304	0.04	0	0.00	0	0.00	0	0.00
REGISTERED NURSE - CLIN OPERS	12,226	0.21	0	0.00	0	0.00	0	0.00
PROGRAM DEVELOPMENT SPEC	41,095	0.88	0	0.00	0	0.00	0	0.00
MEDICAID PROGRAM RELATIONS REP	5,771	0.13	0	0.00	0	0.00	0	0.00
CORRESPONDENCE & INFO SPEC I	12,451	0.33	0	0.00	0	0.00	0	0.00
MEDICAID CLERK	7,664	0.25	0	0.00	0	0.00	0	0.00
MEDICAID TECHNICIAN	32,043	0.91	0	0.00	0	0.00	0	0.00
MEDICAID SPEC	52,700	1.29	0	0.00	0	0.00	0	0.00
MEDICAID UNIT SPV	13,109	0.25	0	0.00	0	0.00	0	0.00
FISCAL & ADMINISTRATIVE MGR B1	32,431	0.50	0	0.00	0	0.00	0	0.00
SOCIAL SERVICES MGR, BAND 1	44,534	0.66	0	0.00	0	0.00	0	0.00
DEPUTY STATE DEPT DIRECTOR	0	0.00	1,532	0.00	1,532	0.00	0	0.00
DESIGNATED PRINCIPAL ASST DEPT	21,326	0.25	21,841	0.15	21,841	0.15	0	0.00
DIVISION DIRECTOR	218,135	1.01	236,410	1.00	238,748	1.00	0	0.00
DEPUTY DIVISION DIRECTOR	107,435	1.01	105,069	1.00	106,111	1.00	0	0.00
DESIGNATED PRINCIPAL ASST DIV	300,862	2.99	303,872	3.00	306,880	3.00	0	0.00
PROJECT SPECIALIST	220	0.00	0	0.00	0	0.00	0	0.00
LEGAL COUNSEL	157,447	2.16	159,021	2.16	159,021	2.16	0	0.00

Budget Unit	FY 2021	FY 2021	FY 2022	FY 2022	FY 2023	FY 2023	*************	*************
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN

MO HEALTHNET ADMIN

CORE

MISCELLANEOUS TECHNICAL	2,487	0.05	0	0.00	0	0.00	0	0.00
MISCELLANEOUS PROFESSIONAL	30,033	0.57	20,291	3.19	20,291	3.19	0	0.00
SPECIAL ASST OFFICIAL & ADMSTR	0	0.00	725	0.00	725	0.00	0	0.00
SPECIAL ASST PROFESSIONAL	1,775,640	22.28	1,876,714	22.40	1,876,714	22.40	0	0.00
SPECIAL ASST OFFICE & CLERICAL	137,834	3.06	136,494	1.27	136,494	1.27	0	0.00
ADMIN SUPPORT ASSISTANT	80,133	2.89	320,172	11.00	320,172	11.00	0	0.00
LEAD ADMIN SUPPORT ASSISTANT	413,875	13.51	417,362	13.00	417,362	13.00	0	0.00
ADMIN SUPPORT PROFESSIONAL	32,704	0.96	34,468	1.00	34,468	1.00	0	0.00
ADMINISTRATIVE MANAGER	6,239	0.08	0	0.00	0	0.00	0	0.00
BUSINESS PROJECT MANAGER	55,440	0.96	0	0.00	0	0.00	0	0.00
PROGRAM SPECIALIST	968,636	20.61	937,277	20.00	937,277	20.00	0	0.00
SENIOR PROGRAM SPECIALIST	274,180	5.36	0	0.00	0	0.00	0	0.00
PROGRAM COORDINATOR	849,657	12.93	2,141,477	33.00	2,141,477	33.00	0	0.00
PROGRAM MANAGER	392,938	5.16	0	0.00	0	0.00	0	0.00
RESEARCH/DATA ASSISTANT	0	0.00	38,366	1.00	38,366	1.00	0	0.00
RESEARCH/DATA ANALYST	286,704	5.78	609,701	12.00	609,701	12.00	0	0.00
PUBLIC RELATIONS SPECIALIST	0	0.00	49,500	1.00	49,500	1.00	0	0.00
REGISTERED NURSE SPEC/SPV	307,355	5.25	427,382	7.00	427,382	7.00	0	0.00
PHYSICIAN	122,004	0.96	128,581	1.00	129,853	1.00	0	0.00
AGENCY BUDGET SENIOR ANALYST	128,244	2.05	147,281	3.00	147,281	3.00	0	0.00
ACCOUNTS ASSISTANT	87,171	3.03	86,124	3.00	86,124	3.00	0	0.00
SENIOR ACCOUNTS ASSISTANT	35,727	1.08	107,948	3.00	107,948	3.00	0	0.00
ACCOUNTANT	85,779	1.97	5	0.00	5	0.00	0	0.00
INTERMEDIATE ACCOUNTANT	0	0.00	45,907	1.03	45,907	1.03	0	0.00
SENIOR ACCOUNTANT	28,524	0.54	0	0.00	0	0.00	0	0.00
AUDITOR	131,861	2.88	354,182	8.00	354,182	8.00	0	0.00
LEAD AUDITOR	206,710	4.07	243,600	5.00	243,600	5.00	0	0.00
AUDITOR SUPERVISOR	238,173	4.32	0	0.00	0	0.00	0	0.00
AUDITOR MANAGER	143,512	1.92	0	0.00	0	0.00	0	0.00
PROCUREMENT SPECIALIST	12,943	0.27	14,594	0.25	14,594	0.25	0	0.00
PROCUREMENT SUPERVISOR	16,189	0.29	18,111	0.25	18,111	0.25	0	0.00
HUMAN RESOURCES ASSISTANT	3,247	0.10	0	0.00	0	0.00	0	0.00

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MO HEALTHNET ADMIN								
CORE								
HUMAN RESOURCES GENERALIST	40,687	0.91	41,181	1.00	41,181	1.00	0	0.00
HUMAN RESOURCES SPECIALIST	46,270	0.96	49,366	1.00	49,366	1.00	0	0.00
BENEFIT PROGRAM SPECIALIST	1,038,423	29.11	940,870	25.50	937,260	25.50	0	0.00
BENEFIT PROGRAM SR SPECIALIST	1,330,069	32.10	1,363,904	33.00	1,359,854	33.00	0	0.00
BENEFIT PROGRAM SUPERVISOR	317,126	5.97	326,221	6.00	326,221	6.00	0	0.00
TOTAL - PS	**10,758,435**	**206.47**	**11,705,549**	**224.20**	**11,705,549**	**224.20**	**0**	**0.00**
TRAVEL, IN-STATE	293	0.00	24,203	0.00	24,203	0.00	0	0.00
TRAVEL, OUT-OF-STATE	0	0.00	41,045	0.00	41,045	0.00	0	0.00
SUPPLIES	470,768	0.00	686,070	0.00	686,070	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	55,297	0.00	61,212	0.00	61,212	0.00	0	0.00
COMMUNICATION SERV & SUPP	100,525	0.00	118,362	0.00	118,362	0.00	0	0.00
PROFESSIONAL SERVICES	14,106,116	0.00	22,247,368	0.00	22,247,368	0.00	0	0.00
M&R SERVICES	20,563	0.00	4,415	0.00	4,415	0.00	0	0.00
OFFICE EQUIPMENT	2,836	0.00	21,816	0.00	21,816	0.00	0	0.00
OTHER EQUIPMENT	1,924	0.00	15,102	0.00	15,102	0.00	0	0.00
PROPERTY & IMPROVEMENTS	0	0.00	16,009	0.00	16,009	0.00	0	0.00
BUILDING LEASE PAYMENTS	840	0.00	700	0.00	700	0.00	0	0.00
EQUIPMENT RENTALS & LEASES	451	0.00	63	0.00	63	0.00	0	0.00
MISCELLANEOUS EXPENSES	1,087,808	0.00	2,011,548	0.00	2,011,548	0.00	0	0.00
TOTAL - EE	**15,847,421**	**0.00**	**25,247,913**	**0.00**	**25,247,913**	**0.00**	**0**	**0.00**
PROGRAM DISTRIBUTIONS	132,642	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	**132,642**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$26,738,498**	**206.47**	**$36,953,462**	**224.20**	**$36,953,462**	**224.20**	**$0**	**0.00**
GENERAL REVENUE	**$9,561,021**	**60.27**	**$12,077,596**	**64.90**	**$12,077,596**	**64.90**		**0.00**
FEDERAL FUNDS	**$15,090,915**	**117.01**	**$21,485,220**	**113.69**	**$21,485,220**	**113.69**		**0.00**
OTHER FUNDS	**$2,086,562**	**29.19**	**$3,390,646**	**45.61**	**$3,390,646**	**45.61**		**0.00**

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.600**
Program Name: Administration
Program is found in the following core budget(s): MO HealthNet Administration

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1a. What strategic priority does this program address?

Ensure access to coverage

1b. What does this program do?

To efficiently operate the $12.3 billion MO HealthNet program (also known as Missouri Medicaid) across four state departments, the MO HealthNet Division effectively utilizes its appropriated staff. The MO HealthNet Division staff account for less than 0.46% of total state employees while the MO HealthNet program comprised 23.17% of the total SFY 2021 state operating budget of $38 billion. The administrative portion of the budget (Personal Services and Expense and Equipment) comprised less than 1.38% of the division's total budget. MO HealthNet Division staff assist participants as well as providers.

Program Goals

The MO HealthNet Division seeks to aid participants and providers in their efforts to access MO HealthNet programs by utilizing administrative staffing, expense and equipment, and contractor resources efficiently and effectively.

Program Objectives

- To purchase and monitor health care services for low income and vulnerable citizens of the State of Missouri;
- To assure quality health care through development of service delivery systems, standards setting and enforcement, and education of providers and participants;
- To be fiscally accountable for maximum and appropriate utilization of resources.

Additional Details

Administrative expenditures for the division consist of personal services and expense and equipment. These expenditures are driven by the operational demands of supporting the MO HealthNet program. The division operates both a fee-for-service program and a managed care program.

Approximately 94.25% of the division's expense and equipment expenditures are comprised of payments to contractors for professional services including, but not limited to, actuarial services; contracts with health care professionals to conduct utilization claim reviews to determine medical necessity of services; and services of an external quality reviewer as required by federal law. Approximately 5.75% of administrative expense and equipment expenditures support MO HealthNet staff for such routine operational expenses as supplies, postage, and office equipment.

PROGRAM DESCRIPTION

Department: Social Services

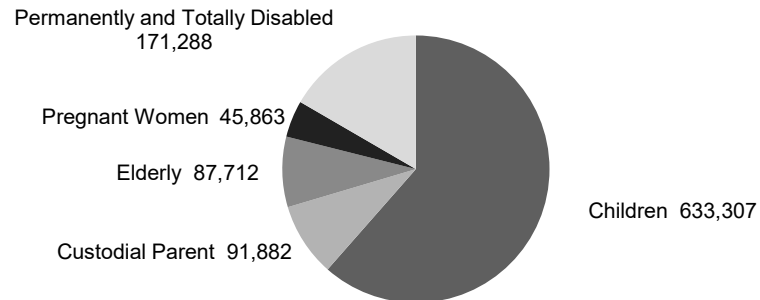**HB Section(s):**   **11.600**

Program Name: Administration

Program is found in the following core budget(s): MO HealthNet Administration

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2a.   **Provide an activity measure(s) for the program.**

Average number of participants served in a month by MO HealthNet, by Large Eligibility Group, as of June 30, 2021.
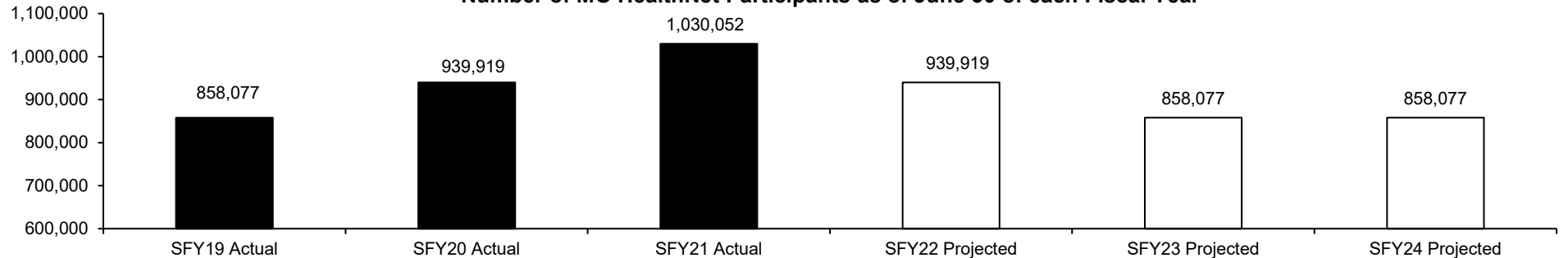
Number of Participants Served by Large Eligibility Group

Permanently and Totally Disabled
171,288

Pregnant Women 45,863

Elderly 87,712

Custodial Parent 91,882

Children 633,307

2b.   **Provide a measure(s) of the program's quality.**

Refer to program sections for quality measures.

2c.   **Provide a measure(s) of the program's impact.**

Number of MO HealthNet Participants as of June 30 of each Fiscal Year

	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
	858,077	939,919	1,030,052	939,919	858,077	858,077

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):   11.600**
Program Name: Administration
Program is found in the following core budget(s): MO HealthNet Administration

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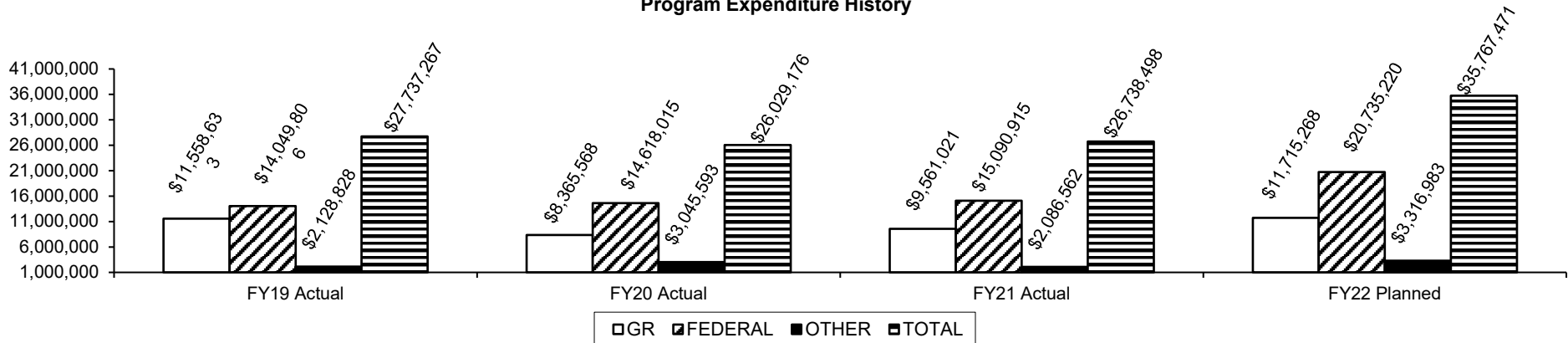
2d.   Provide a measure(s) of the program's efficiency.

SFY21 MO HealthNet Division Expenditures

Admin, Clinical & MMIS PS/E&E 1.38%
Physician 6.99%
Nursing Facilities 6.50%
Provider Taxes 22.63%
Premium 3.28%
Other* 3.89%
Rehab 3.64%
Hospital 8.50%
Managed Care 25.61%
Pharmacy 17.57%

*Other includes:
HI-TECH grants, Trauma Treatment for Kids, Dental, Home Health, Long Term Support Upper Payment Limit, Non-Emergency Medical Transportation, Ground Emergency Medical IGT, Medicare Parity Payments, Health Homes, Health Care Home IGT, Children's Health Insurance Program, Show-Me Healthy Babies and School District Claiming.

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3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	GR	FEDERAL	OTHER	TOTAL
FY19 Actual	$11,558,633	$14,049,806	$2,128,828	$27,737,267
FY20 Actual	$8,365,568	$14,618,015	$3,045,593	$26,029,176
FY21 Actual	$9,561,021	$15,090,915	$2,086,562	$26,738,498
FY22 Planned	$11,715,268	$20,735,220	$3,316,983	$35,767,471

Planned FY2022 expenditures are net of reverted and reserves.

Department: Social Services   HB Section(s):   **11.600**
Program Name: Administration
Program is found in the following core budget(s): MO HealthNet Administration

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4. What are the sources of the "Other " funds?

Pharmacy Reimbursement Allowance Fund (0144)
Health Initiatives Fund (HIF) (0275)
Nursing Facility Quality of Care Fund (NFQC) (0271)
Third Party Liability Collections Fund (TPL) (0120)
Federal Reimbursement Allowance Fund (FRA) (0142)
Ambulance Service Reimbursement Allowance Fund (0958)
Ground Emergency Medical Transportation Fund (GEMT) (0422)
Pharmacy Rebates Fund (0114)
Life Sciences Research Trust Fund (0763)

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Section 208.201, RSMo. Federal law: Social Security Act Section 1902(a)(4). Federal Regulations: 42 CFR, Part 432.

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6. Are there federal matching requirements? If yes, please explain.

Expenditures are allocated in accordance with the methodology outlined in the department's cost allocation plan and charged to corresponding grants or identified and claimed as maintenance of effort as appropriate. A majority of the grants have a federal matching requirement.

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7. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the MO HealthNet State Plan.

Core - Clinical Services Program Management

CORE DECISION ITEM

Department: Social Services   Budget Unit: 90516C
Division: MO HealthNet
Core: Clinical Services Program Management   HB Section: 11.605

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	**PS**	0	0	0	0
EE	461,917	12,214,032	1,485,506	14,161,455	**EE**	0	0	0	0
PSD	0	0	0	0	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**461,917**	**12,214,032**	**1,485,506**	**14,161,455**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**	**0.00**	**0.00**	**0.00**	**0.00**

Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation. | *Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*

Other Funds: Third Party Liability Collections (TPL) Fund (0120) - $924,911   Other Funds:
                MO Rx Plan Fund (0779) - $62,947
                Pharmacy Rebates Fund (0114) - $497,648

2. CORE DESCRIPTION

This item funds contractor costs that support the pharmacy and clinical services programs. Funding is used for cost containment initiatives and clinical policy decision-making to enhance efforts to provide appropriate and quality medical care to participants. The MO HealthNet Division (MHD) seeks to aid participants and providers in their efforts to access the MO HealthNet program by utilizing contractor resources effectively.

3. PROGRAM LISTING (list programs included in this core funding)

Clinical Services Program Management
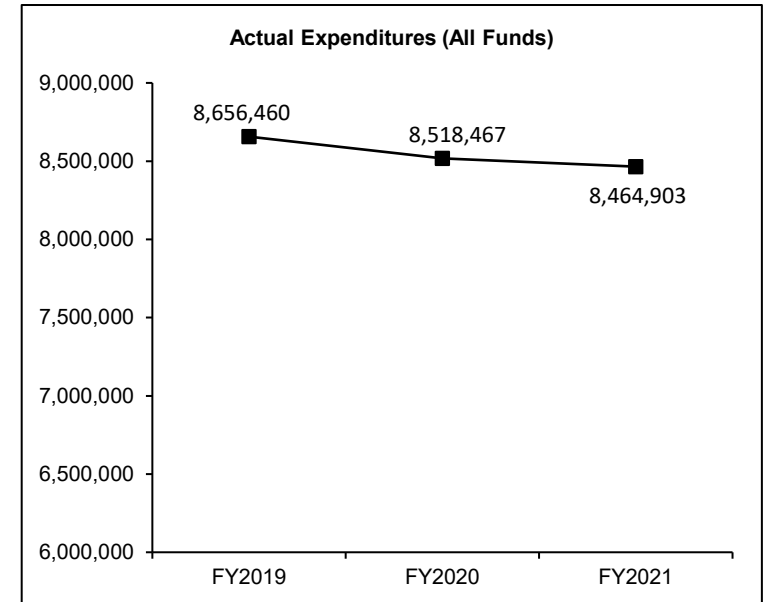Missouri Rx Program

<div align="center">

CORE DECISION ITEM

</div>

Department: Social Services   **Budget Unit:**   **90516C**
Division: MO HealthNet
Core: Clinical Services Program Management   **HB Section:**   **11.605**

4. FINANCIAL HISTORY

	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Current Yr.
Appropriation (All Funds)	15,161,455	15,161,455	15,161,455	14,161,455
Less Reverted (All Funds)	(13,858)	(13,858)	(13,858)	(13,858)
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	15,147,597	15,147,597	15,147,597	14,147,597
Actual Expenditures (All Funds)	8,656,460	8,518,467	8,464,903	N/A
Unexpended (All Funds)	6,491,137	6,629,130	6,682,694	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	4,705,707	5,088,057	4,939,159	N/A
Other	1,785,430	1,541,073	1,680,588	N/A
			(1)	

Actual Expenditures (All Funds)

8,656,460   8,518,467   8,464,903

FY2019   FY2020   FY2021

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
(1) FY21 - $62,947 was held in agency reserve of MORx Fund (0779).

DEPARTMENT OF SOCIAL SERVICES
CLINICAL SRVC MGMT

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	461,917	12,214,032	1,485,506	14,161,455	
	Total	**0.00**	**461,917**	**12,214,032**	**1,485,506**	**14,161,455**	
DEPARTMENT CORE REQUEST							
	EE	0.00	461,917	12,214,032	1,485,506	14,161,455	
	Total	**0.00**	**461,917**	**12,214,032**	**1,485,506**	**14,161,455**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	461,917	12,214,032	1,485,506	14,161,455	
	Total	**0.00**	**461,917**	**12,214,032**	**1,485,506**	**14,161,455**	

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
CLINICAL SRVC MGMT								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	448,059	0.00	461,917	0.00	461,917	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	7,274,873	0.00	12,214,032	0.00	12,214,032	0.00	0	0.00
PHARMACY REBATES	0	0.00	497,648	0.00	497,648	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	741,971	0.00	924,911	0.00	924,911	0.00	0	0.00
MISSOURI RX PLAN FUND	0	0.00	62,947	0.00	62,947	0.00	0	0.00
TOTAL - EE	8,464,903	0.00	14,161,455	0.00	14,161,455	0.00	0	0.00
TOTAL	**8,464,903**	**0.00**	**14,161,455**	**0.00**	**14,161,455**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$8,464,903**	**0.00**	**$14,161,455**	**0.00**	**$14,161,455**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
CLINICAL SRVC MGMT								
CORE								
TRAVEL, IN-STATE	0	0.00	2	0.00	2	0.00	0	0.00
TRAVEL, OUT-OF-STATE	0	0.00	2	0.00	2	0.00	0	0.00
SUPPLIES	172	0.00	2	0.00	2	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	80	0.00	2	0.00	2	0.00	0	0.00
COMMUNICATION SERV & SUPP	19	0.00	0	0.00	0	0.00	0	0.00
PROFESSIONAL SERVICES	8,464,632	0.00	14,161,443	0.00	14,161,443	0.00	0	0.00
M&R SERVICES	0	0.00	2	0.00	2	0.00	0	0.00
MISCELLANEOUS EXPENSES	0	0.00	2	0.00	2	0.00	0	0.00
TOTAL - EE	**8,464,903**	**0.00**	**14,161,455**	**0.00**	**14,161,455**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$8,464,903**	**0.00**	**$14,161,455**	**0.00**	**$14,161,455**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$448,059**	**0.00**	**$461,917**	**0.00**	**$461,917**	**0.00**		**0.00**
FEDERAL FUNDS	**$7,274,873**	**0.00**	**$12,214,032**	**0.00**	**$12,214,032**	**0.00**		**0.00**
OTHER FUNDS	**$741,971**	**0.00**	**$1,485,506**	**0.00**	**$1,485,506**	**0.00**		**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Clinical Services Program Management
Program is found in the following core budget(s): Clinical Services Program Management

HB Section(s):   11.605

1a. What strategic priority does this program address?

Health and continuum of care

1b. What does this program do?

Funding for Clinical Services Program Management (CSPM) supports contractor costs for pharmacy and clinical services. Conduent operates and manages the web-based clinical editing process for the point-of-sale pharmacy and medical claims, medical and drug prior authorization, pre-certification, and Drug Utilization Review (DUR). The current CSPM claim processing system allows each claim to be referenced against the participant's claims history including pharmacy, medical, and procedural data (ICD-9/10 and CPT codes), providing real-time data to participating MHD providers. For patients that meet approval criteria, the claim will be paid automatically. In instances when a phone call is necessary, the hotline call center is available seven days a week, which allows providers prompt access to a paid claim for the requested product or service. In addition to receiving messages regarding the outcome of the processing of claims and the amount to be reimbursed, pharmacy providers receive prospective drug use review alert messages at the time prescriptions are dispensed.

CyberAccess ^{SM} is a web-based tool that allows healthcare providers to electronically request drug and medical prior authorizations for their MO HealthNet patients, review historical claims data, view and/or enter clinical data in a patient's Electronic Health Record (EHR), select appropriate preferred medications and electronically prescribe, and electronically request inpatient certifications. The continued funding for *CyberAccess* ^{SM} is critical to continue supporting the pharmacy and medical cost containment initiatives and electronic health records. Early Periodic Screening, Diagnosis, and Treatment (EPSDT) forms and patient-specific lab results are currently available through the platform. Linkages to other health record systems yielding interoperability between systems are under development (Health Information Network {HIN}). A companion participant web portal tool, Direct Inform, has been developed and deployed to pilot providers.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.605**
Program Name: Clinical Services Program Management
Program is found in the following core budget(s): Clinical Services Program Management

Pharmacy

Through the Pharmacy Program, the division is able to maintain current cost containment initiatives and implement new cost containment initiatives.
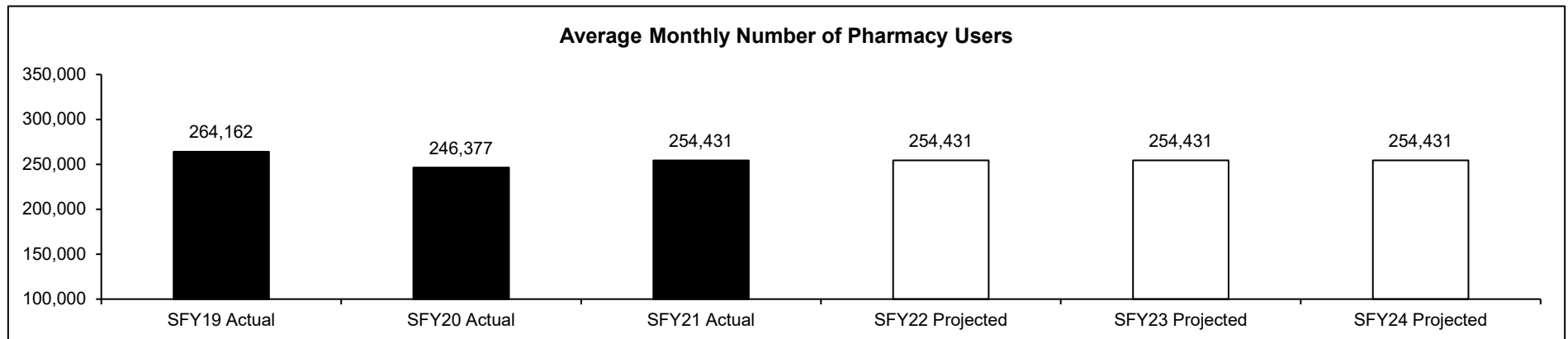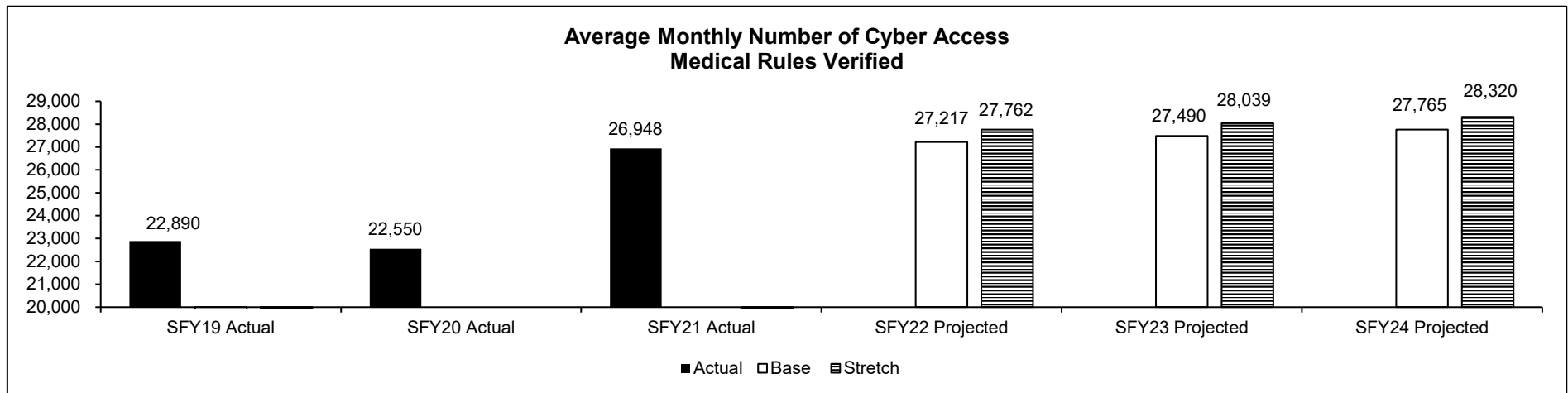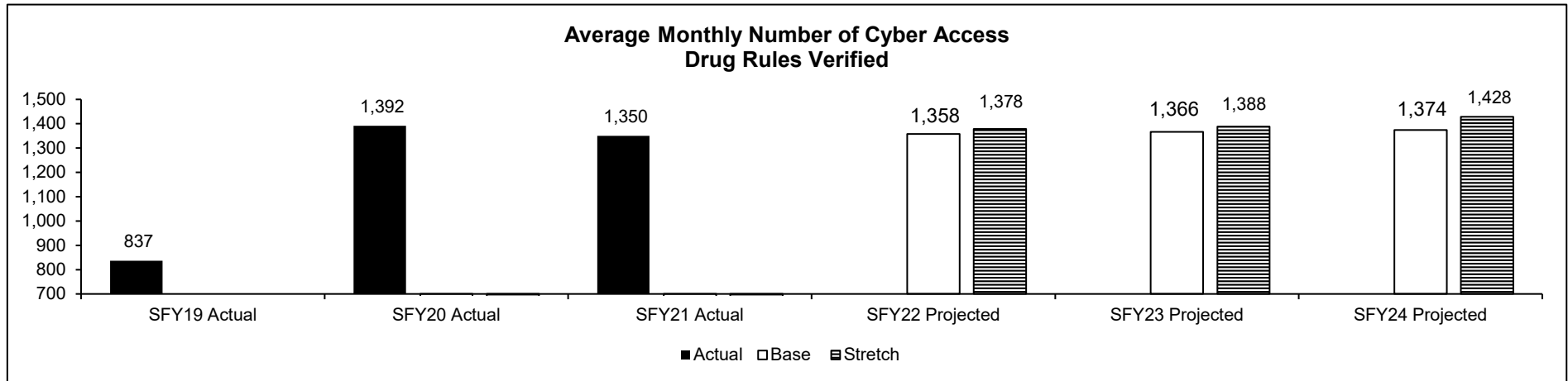
Major initiatives include:

- Maintenance and Updates to Fiscal and Clinical Edits
- Quarterly Updates to the Missouri Maximum Allowable Cost (MACs)
- Prospective and Retrospective Drug Use for Drug Utilization Review (DUR)
- Routine/Ad hoc Drug Information Research
- Enrollment and Administration of Case Management
- Preferred Drug List (PDL) and Supplemental Rebates
- *See the Pharmacy tab for more details on these initiatives*

Clinical

Major Clinical Services initiatives include:

- Smart Prior Authorization (PA) for Durable Medical Equipment (DME), Optical, Psychology, Medical Services, and Chronic Pain Management
- Home and Community Based Services (HCBS) prior authorizations
- Psychology and Bone Marrow Consultants
- Optical Program
- Medical Evidence-Based Guidelines - Oregon HealthCare Contract

2a.   Provide an activity measure for the program.

Average Monthly Number of Pharmacy Users

	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
	264,162	246,377	254,431	254,431	254,431	254,431

PROGRAM DESCRIPTION

Department: Social Services　　　　　　　　　　　　　　　　　　**HB Section(s):**　　　**11.605**
Program Name: Clinical Services Program Management
Program is found in the following core budget(s): Clinical Services Program Management

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2b. Provide a measure of the program's quality.

CyberAccess Provider Outreach Representatives continue to do provider outreach, expressing the importance of utilizing Cyber Access when verifying drug and medical rules.
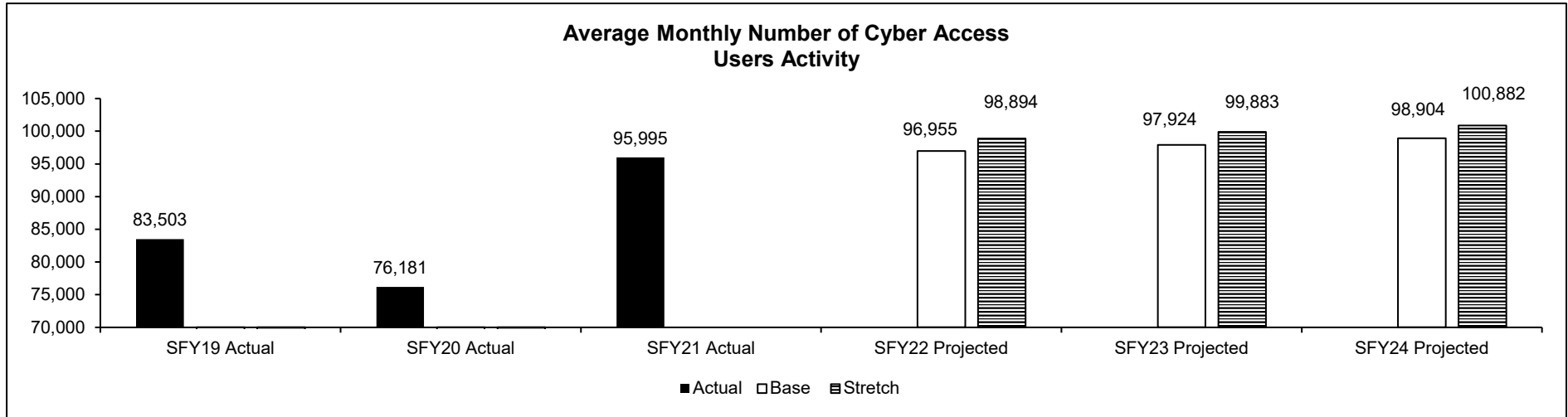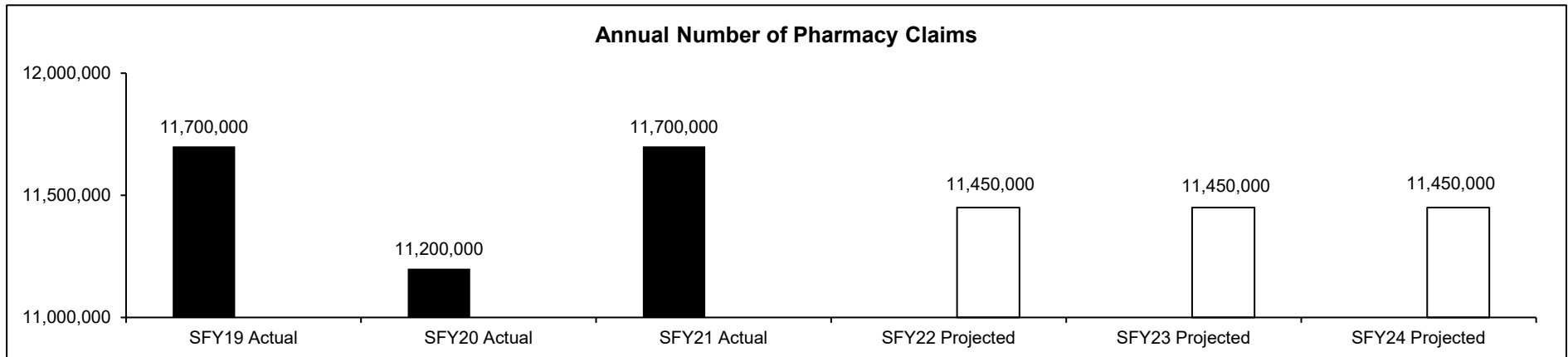

Average Monthly Number of Cyber Access Drug Rules Verified

	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
Actual	837	1,392	1,350			
Base				1,358	1,366	1,374
Stretch				1,378	1,388	1,428

■Actual □Base ▤Stretch

Average Monthly Number of Cyber Access Medical Rules Verified

	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
Actual	22,890	22,550	26,948			
Base				27,217	27,490	27,765
Stretch				27,762	28,039	28,320

■Actual □Base ▤Stretch

PROGRAM DESCRIPTION

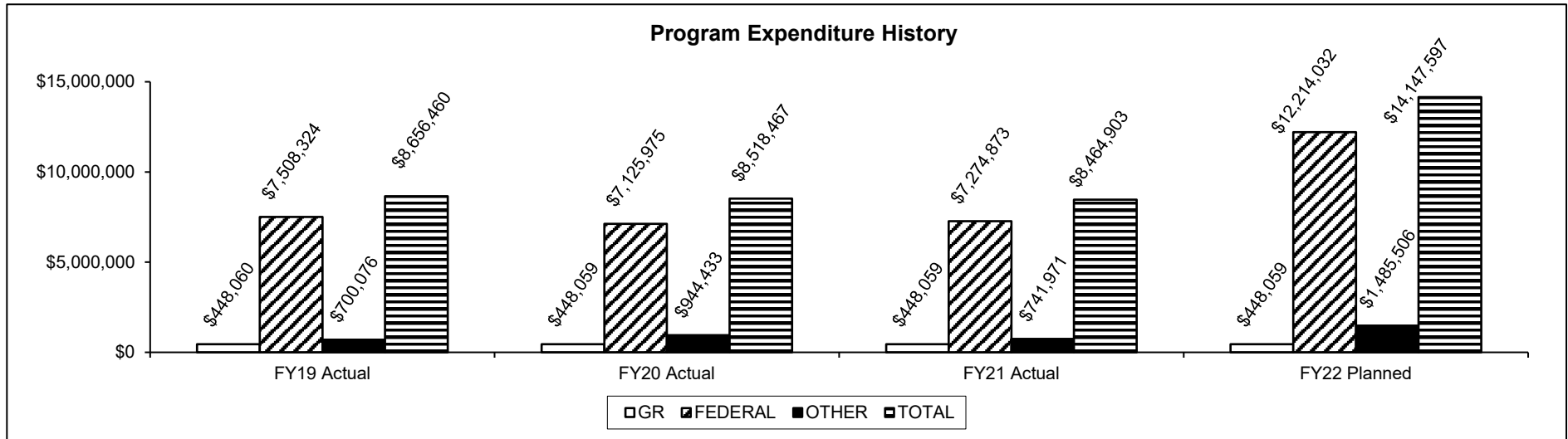**Department: Social Services**
Program Name: Clinical Services Program Management
Program is found in the following core budget(s): Clinical Services Program Management

HB Section(s): **11.605**

2c. Provide a measure of the program's impact.

Average Monthly Number of Cyber Access Users Activity

SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
83,503	76,181	95,995	96,955 / 98,894	97,924 / 99,883	98,904 / 100,882

■Actual □Base ▤Stretch

2d. Provide a measure of the program's efficiency.

Annual Number of Pharmacy Claims

SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
11,700,000	11,200,000	11,700,000	11,450,000	11,450,000	11,450,000

*Public Health Emergency drove the increase in FY21; FY22-24 is expected to have a decrease in the number of monthly pharmacy claims.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Clinical Services Program Management
Program is found in the following core budget(s): Clinical Services Program Management

HB Section(s):   11.605

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3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Planned
GR	$448,060	$448,059	$448,059	$448,059
FEDERAL	$7,508,324	$7,125,975	$7,274,873	$12,214,032
OTHER	$700,076	$944,433	$741,971	$1,485,506
TOTAL	$8,656,460	$8,518,467	$8,464,903	$14,147,597

Planned FY2022 expenditures are net of reverted.

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4. What are the sources of the "Other " funds?

Pharmacy Rebate Fund (0114), Third Party Liability Fund (0120), and Missouri Rx Plan Fund (0779)

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Section 208.201, RSMo. Federal law: Social Security Act Section 1902(a)(4). Federal Regulations: 42 CFR, Part 432.

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6. Are there federal matching requirements? If yes, please explain.

Generally, MO HealthNet administrative expenditures have a 50% match. The Clinical Management Services for Pharmacy and Prior Authorization expenditures have a 75% match.

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7. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

Core - MO HealthNet Transformation

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: MHD Transformation

Budget Unit: 90519C

HB Section: 11.610

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	242,400	242,400	0	484,800	**PS**	0	0	0	0
EE	6,130,458	27,379,318	0	33,509,776	**EE**	0	0	0	0
PSD	0	0	0	0	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	6,372,858	27,621,718	0	33,994,576	**Total**	0	0	0	0
FTE	3.00	3.00	0.00	6.00	**FTE**	0.00	0.00	0.00	0.00

Est. Fringe	125,643	125,643	0	251,287	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A

Other Funds:

2. CORE DESCRIPTION

The MHD Transformation program is a combination of initiatives the MO HealthNet Division (MHD) is in the process of implementing, with the goal of transforming Medicaid. Missouri's Medicaid program is an important safety net for Missouri's most vulnerable populations, providing health care and support for nearly one million Missourians. Analysis of historical trends indicates that the financial sustainability of Missouri's Medicaid program is currently under pressure. Significant changes in the structure and performance of Missouri's Medicaid program would be necessary to bring Medicaid spending growth in line with projected economic growth for the state. The initiatives are wide-ranging, including operational improvements to bring the program up to date with common practices among other state Medicaid programs, as well as best practices and more transformational changes.

3. PROGRAM LISTING (list programs included in this core funding)

MHD Transformation

CORE DECISION ITEM

Department: Social Services
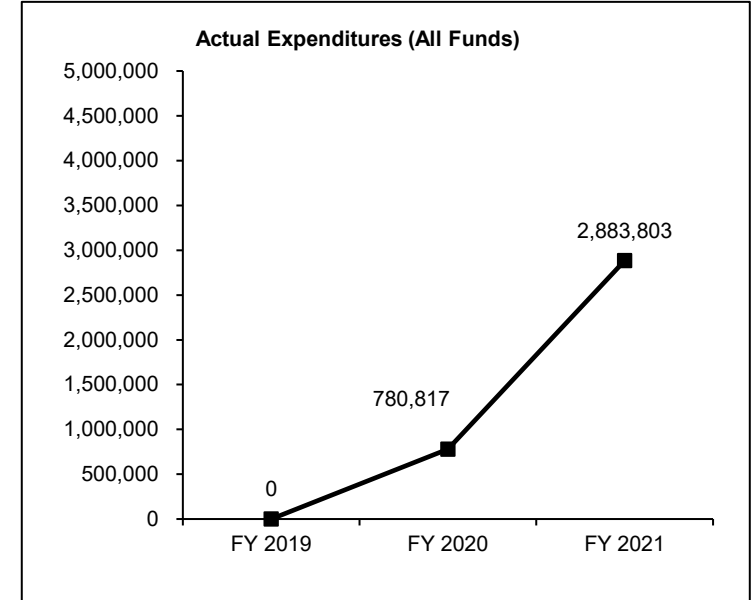**Division: MO HealthNet**
Core: MHD Transformation

Budget Unit: **90519C**

HB Section: **11.610**

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr.
Appropriation (All Funds)	0	33,888,200	33,989,776	33,994,576
Less Reverted (All Funds)	0	(191,267)	(191,113)	(191,186)
Less Restricted (All Funds)	0	(4,772,837)	0	0
Budget Authority (All Funds)	0	28,924,096	33,798,663	33,803,390
Actual Expenditures (All Funds)	0	780,817	2,883,803	N/A
Unexpended (All Funds)	0	28,143,279	30,914,860	N/A
Unexpended, by Fund:				
General Revenue	0	833,215	4,740,895	N/A
Federal	0	27,310,064	26,173,965	N/A
Other	0	0	0	N/A

(1)

Actual Expenditures (All Funds)

Chart showing actual expenditures: FY 2019 = 0, FY 2020 = 780,817, FY 2021 = 2,883,803

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
(1) FY20 - $111,800 GR was held in agency reserve. $4,772,837 GR was placed in restriction in FY20.

46

DEPARTMENT OF SOCIAL SERVICES
MHD TRANSFORMATION

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PS	6.00	242,400	242,400	0	484,800	
	EE	0.00	6,130,458	27,379,318	0	33,509,776	
	Total	**6.00**	**6,372,858**	**27,621,718**	**0**	**33,994,576**	
DEPARTMENT CORE REQUEST							
	PS	6.00	242,400	242,400	0	484,800	
	EE	0.00	6,130,458	27,379,318	0	33,509,776	
	Total	**6.00**	**6,372,858**	**27,621,718**	**0**	**33,994,576**	
GOVERNOR'S RECOMMENDED CORE							
	PS	6.00	242,400	242,400	0	484,800	
	EE	0.00	6,130,458	27,379,318	0	33,509,776	
	Total	**6.00**	**6,372,858**	**27,621,718**	**0**	**33,994,576**	

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MHD TRANSFORMATION								
CORE								
PERSONAL SERVICES								
GENERAL REVENUE	114,960	0.92	242,400	3.00	242,400	3.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	121,863	1.02	242,400	3.00	242,400	3.00	0	0.00
TOTAL - PS	236,823	1.94	484,800	6.00	484,800	6.00	0	0.00
EXPENSE & EQUIPMENT								
GENERAL REVENUE	1,323,490	0.00	6,130,458	0.00	6,130,458	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	1,323,490	0.00	27,379,318	0.00	27,379,318	0.00	0	0.00
TOTAL - EE	2,646,980	0.00	33,509,776	0.00	33,509,776	0.00	0	0.00
TOTAL	**2,883,803**	**1.94**	**33,994,576**	**6.00**	**33,994,576**	**6.00**	**0**	**0.00**
Pay Plan FY22-Cost to Continue - 0000013								
PERSONAL SERVICES								
GENERAL REVENUE	0	0.00	0	0.00	2,400	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	2,400	0.00	0	0.00
TOTAL - PS	0	0.00	0	0.00	4,800	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**4,800**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$2,883,803**	**1.94**	**$33,994,576**	**6.00**	**$33,999,376**	**6.00**	**$0**	**0.00**

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Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MHD TRANSFORMATION								
CORE								
SOCIAL SERVICES MGR, BAND 1	512	0.01	0	0.00	0	0.00	0	0.00
SPECIAL ASST PROFESSIONAL	224,526	1.75	273,268	2.00	273,268	2.00	0	0.00
PROGRAM COORDINATOR	11,785	0.18	211,532	4.00	211,532	4.00	0	0.00
TOTAL - PS	**236,823**	**1.94**	**484,800**	**6.00**	**484,800**	**6.00**	**0**	**0.00**
TRAVEL, IN-STATE	0	0.00	14,000	0.00	14,000	0.00	0	0.00
TRAVEL, OUT-OF-STATE	0	0.00	4,000	0.00	4,000	0.00	0	0.00
SUPPLIES	0	0.00	3,168	0.00	3,168	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	0	0.00	1,842	0.00	1,842	0.00	0	0.00
COMMUNICATION SERV & SUPP	0	0.00	978	0.00	978	0.00	0	0.00
PROFESSIONAL SERVICES	2,646,980	0.00	33,485,784	0.00	33,485,784	0.00	0	0.00
EQUIPMENT RENTALS & LEASES	0	0.00	2	0.00	2	0.00	0	0.00
MISCELLANEOUS EXPENSES	0	0.00	2	0.00	2	0.00	0	0.00
TOTAL - EE	**2,646,980**	**0.00**	**33,509,776**	**0.00**	**33,509,776**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$2,883,803**	**1.94**	**$33,994,576**	**6.00**	**$33,994,576**	**6.00**	**$0**	**0.00**
GENERAL REVENUE	**$1,438,450**	**0.92**	**$6,372,858**	**3.00**	**$6,372,858**	**3.00**		**0.00**
FEDERAL FUNDS	**$1,445,353**	**1.02**	**$27,621,718**	**3.00**	**$27,621,718**	**3.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Department: Social Services HB Section(s): 11.610
Program Name: MHD Transformation
Program is found in the following core budget(s): MHD Transformation

1a. What strategic priority does this program address?

Transform Medicaid to ensure healthy, safe, and productive lives.

1b. What does this program do?

The MHD Transformation program is a combination of initiatives with the goal of transforming Missouri Medicaid. Missouri's Medicaid program is an important safety net for Missouri's most vulnerable populations, providing health care and support for many Missourians. Missouri Medicaid's delivery system, payment methodologies, and information systems are outdated in many respects compared to other states. Significant changes in the structure and performance of Missouri's Medicaid program will be necessary to bring Medicaid spending growth in line with projected economic growth for the state.

The initiatives are wide-ranging, and include operational improvements to bring the program up to date with common practices among other state Medicaid programs, as well as best practices and more transformational changes. The Transformation Office was an intregral part in handling the public health emergency effort related to the COVID-19 pandemic. This office developed data antalytics which were utilized to make policy decisions to ensure distruption to Missouri's Medicaid program remained at a minimal level.

Transformation goals:

 • Bring Medicaid spending growth in line with the rate of growth for Missouri
 • Ensure access to healthcare services to meet the needs of the most vulnerable populations
 • Improve participant experience, healthcare outcomes, and increase independence
 • Partner with providers to modernize care delivery systems
 • Become a leader in the implementation of value based care in Medicaid

Initiatives that are "in-flight" include:

 • Missouri Benefits Enrollment Transformation project to redesign the benefits application and written communications to help ensure access to all eligible citizens and improving the participant experience
 • Evaluation and redesign of outdated provider reimbursement methodologies
 • Pharmacy program integrity measures to minimize fraud and abuse in prescribing practices
 • Evaluation of proposals to replace the current MMIS system through the National Association of State Purchasing Officers multi-state RFP
 • Development of an Enterprise Data Warehouse to improve data analytics capacity
 • Development of an Electronic Visit Verification program to enhance the verification of home health provider visits
 • Development of a Managed Care Tracking tool to monitor the performance of contracted managed care companies increasing accountability to contractual obligations
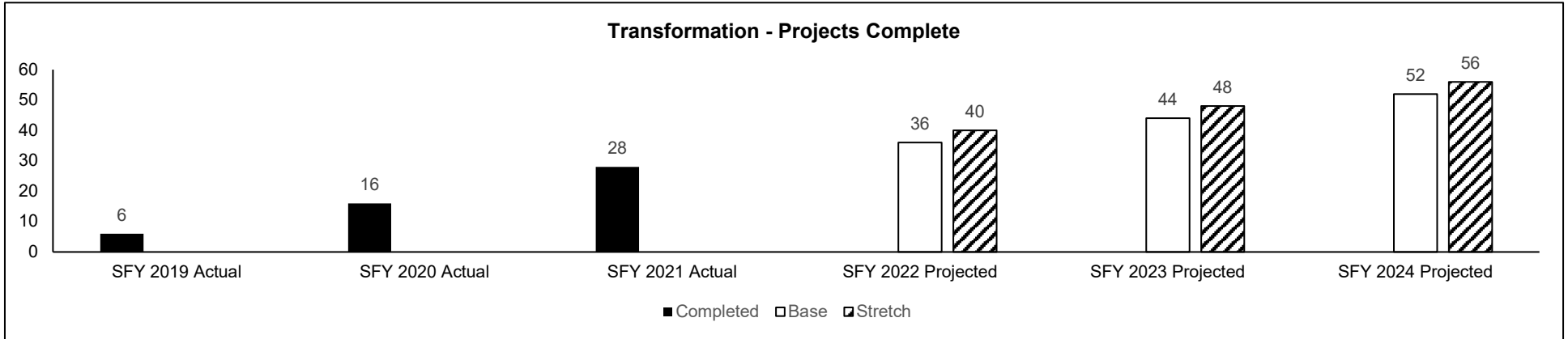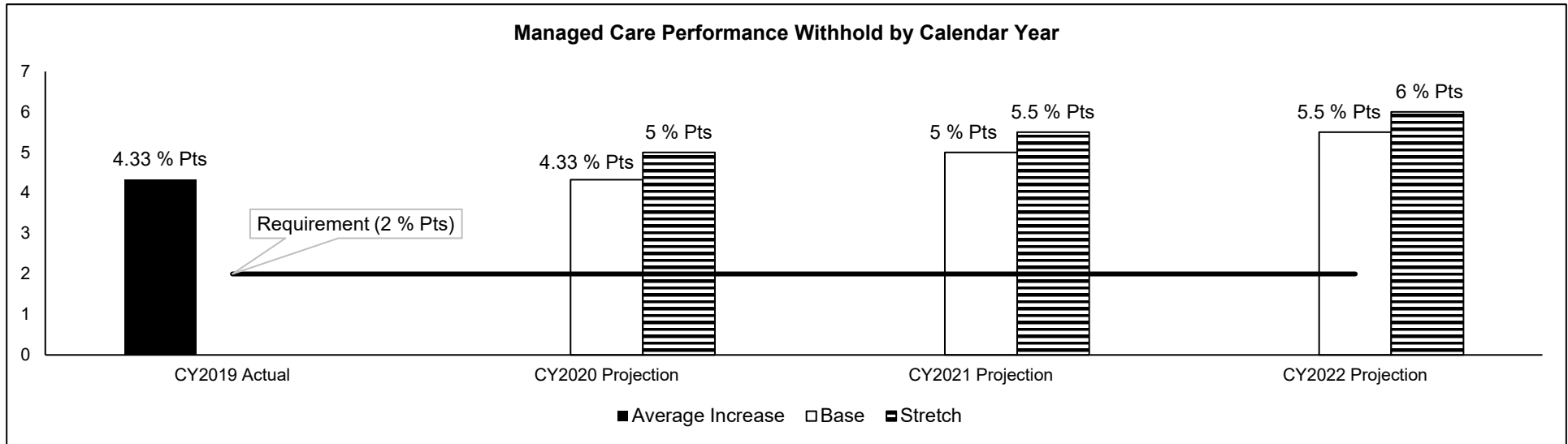
PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.610**
Program Name: MHD Transformation
Program is found in the following core budget(s): MHD Transformation

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2a.   Provide an activity measure(s) for the program.

Transformation - Projects Complete

NOTE 1: The Transformation Office continues to identify opportunities for improvement within Missouri's Medicaid Program and initiates formalized projects to implement cost and efficiency savings to curb the rising cost of the program and improve health care outcomes for participants and enhance participant experience.

NOTE 2: Many Transformation projects involve great detail and require many months of collaboration with stakeholders. Some also include state plan amendments, state regulation changes, and lengthy procurement processes which can increase timelines. Some projects overlap multiple state fiscal years.

NOTE 3: Every effort is made to strategically plan and implement Transformation projects in a way to minimize disruption of everyday operations or overload the limited MHD workforce. The Transformation Office eliminates as much of this burden as possible by conducting all pre-project preparations to maximize the time of MHD resources.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.610**
Program Name: MHD Transformation
Program is found in the following core budget(s): MHD Transformation

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2b. Provide a measure(s) of the program's quality.

Managed Care Performance Withhold by Calendar Year

	CY2019 Actual	CY2020 Projection	CY2021 Projection	CY2022 Projection
Average Increase	4.33 % Pts			
Base		4.33 % Pts	5 % Pts	5.5 % Pts
Stretch		5 % Pts	5.5 % Pts	6 % Pts

Requirement (2 % Pts)

■Average Increase   □Base   ▤Stretch

MO HealthNet transformed the Managed Care Performance Withhold Program which has resulted in significant growth in multiple Healthcare Effectiveness Data and Information Set (HEDIS) measures. Health Plans were tasked with improving each measure by two percentage points over their baseline. The average increase across all health plans in year one (CY2019) was 4.33. COVID will impact CY2020 rates, however, MHD anticipants continued growth in CY2021 and CY2022 as a result of this transformation effort. The metrics selected in this program target areas that are driving Medicaid costs up in Missouri. Year-over-year improvements in these quality areas are projected to decrease these costs.

CY2020 data will be available Fall 2021.
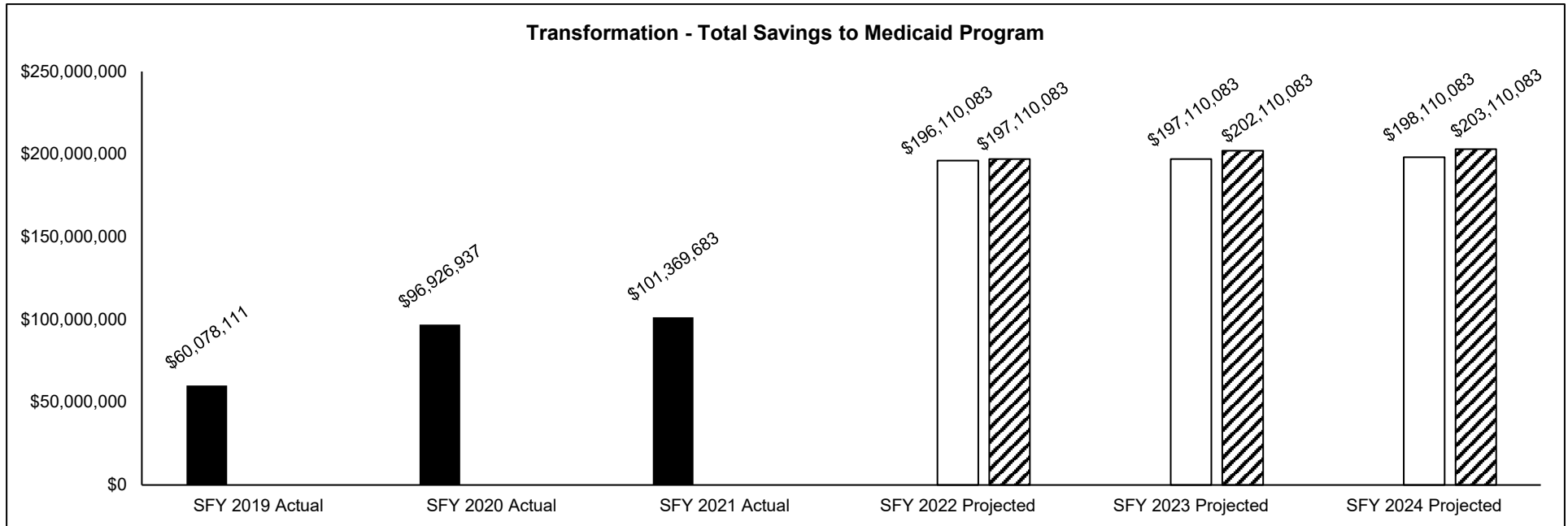
PROGRAM DESCRIPTION
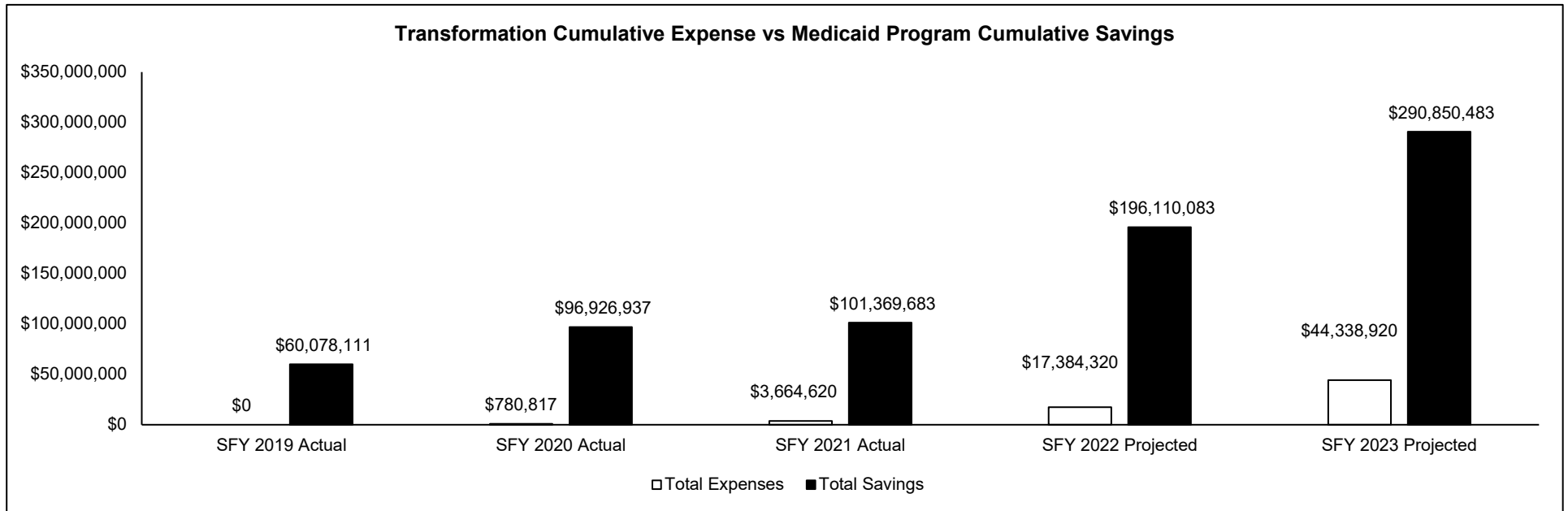
Department: Social Services   **HB Section(s):   11.610**
Program Name: MHD Transformation
Program is found in the following core budget(s): MHD Transformation

---

2c.   Provide a measure(s) of the program's impact.

Transformation - Total Savings to Medicaid Program

SFY 2019 Actual	$60,078,111
SFY 2020 Actual	$96,926,937
SFY 2021 Actual	$101,369,683
SFY 2022 Projected	$196,110,083 / $197,110,083
SFY 2023 Projected	$197,110,083 / $202,110,083
SFY 2024 Projected	$198,110,083 / $203,110,083

The above chart depicts the budgetary savings impact of Transformation projects that have been completed, in flight, or on deck. Some projects will not realize their full cost savings until they are fully implemented and deployed to operations. On deck projects for SFY 2023 and SFY2024 are contingent on the implementation of SFY 2022 initiatives. Upon implementation, initiatives planned for SFY 2023 and SFY 2024, such as additional value based payment models, can be more accurately computed for projected savings. Some of these budgetary impacts have been realized, while others are projections.

PROGRAM DESCRIPTION

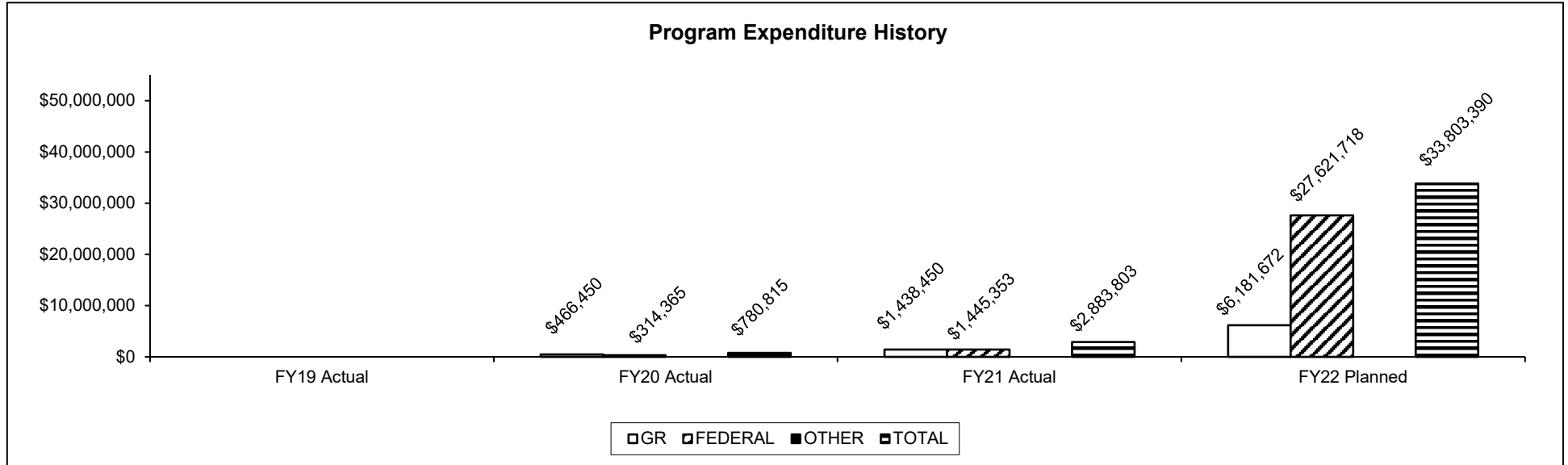**Department: Social Services**   **HB Section(s):**   **11.610**
Program Name: MHD Transformation
Program is found in the following core budget(s): MHD Transformation

---

2d.   Provide a measure(s) of the program's efficiency.

Transformation Cumulative Expense vs Medicaid Program Cumulative Savings

	SFY 2019 Actual	SFY 2020 Actual	SFY 2021 Actual	SFY 2022 Projected	SFY 2023 Projected
Total Expenses	$0	$780,817	$3,664,620	$17,384,320	$44,338,920
Total Savings	$60,078,111	$96,926,937	$101,369,683	$196,110,083	$290,850,483

The above chart depicts the total spend of the Transformation Office compared to the projected savings of the initiatives that are completed, in flight or on deck. Savings will continue to grow as future initiatives progress. Every $1 spent on Medicaid Transformation through SFY 2021 has resulted in $27.66 in savings in the Medicaid expenditures.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: MHD Transformation
Program is found in the following core budget(s): MHD Transformation

HB Section(s): **11.610**

---

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe*

Program Expenditure History

	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Planned
GR		$466,450	$1,438,450	$6,181,672
FEDERAL		$314,365	$1,445,353	$27,621,718
OTHER		$780,815	$2,883,803	
TOTAL				$33,803,390

Legend: □GR □FEDERAL ■OTHER □TOTAL

Planned FY2022 expenditures are net of reverted.

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4. What are the sources of the "Other " funds?

N/A

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

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6. Are there federal matching requirements? If yes, please explain.

MHD is currently working with CMS to secure enhanced federal funding for transformation.

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7. Is this a federally mandated program? If yes, please explain.

No.

Core - TPL Contracts

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Third Party Liability (TPL) Contracts

Budget Unit: 90515C

HB Section: 11.615

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	**PS**	0	0	0	0
EE	0	4,250,000	4,250,000	8,500,000	**EE**	0	0	0	0
PSD	0	0	0	0	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**0**	**4,250,000**	**4,250,000**	**8,500,000**	**Total**	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00	**FTE**	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections Fund (TPL) (0120) - $4,250,000

Other Funds:

2. CORE DESCRIPTION

This item funds contracted third party liability (TPL) recovery activities. TPL functions are performed by agency staff in the MO HealthNet Division TPL Unit and by a contractor. This core appropriation represents expense and equipment funding which is used to make payments to the contractor who works with the agency on TPL recovery activities.

3. PROGRAM LISTING (list programs included in this core funding)
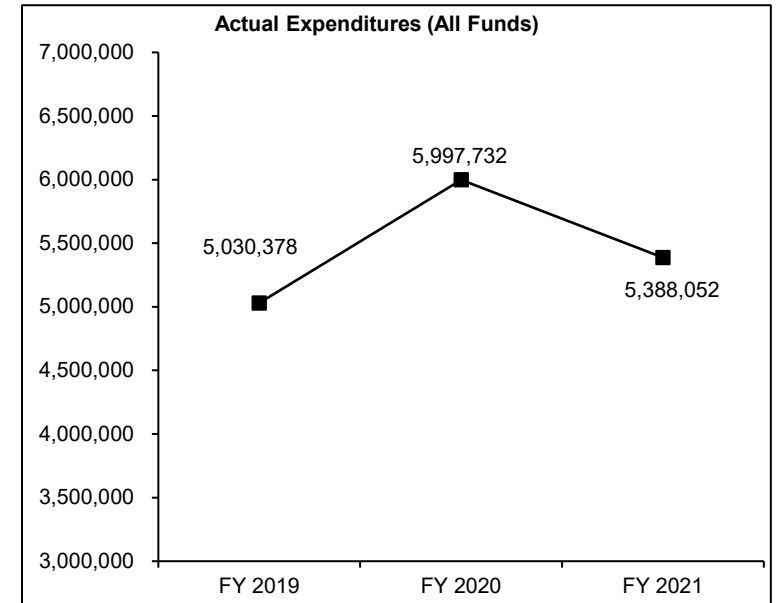
Third Party Liability Contracts

Department: Social Services   **Budget Unit:**   **90515C**
Division: MO HealthNet
Core: Third Party Liability (TPL) Contracts   **HB Section:**   **11.615**

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr.
Appropriation (All Funds)	8,500,000	8,500,000	8,500,000	8,500,000
Less Reverted (All Funds)	0	0	0	0
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	8,500,000	8,500,000	8,500,000	8,500,000
Actual Expenditures (All Funds)	5,030,378	5,997,732	5,388,052	N/A
Unexpended (All Funds)	3,469,622	2,502,268	3,111,948	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	1,734,811	1,251,134	1,555,974	N/A
Other	1,734,811	1,251,134	1,555,974	N/A

Actual Expenditures (All Funds)

```
7,000,000

6,500,000

6,000,000                              5,997,732

5,500,000     5,030,378

5,000,000                                          5,388,052

4,500,000

4,000,000

3,500,000

3,000,000
              FY 2019      FY 2020      FY 2021
```

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

DEPARTMENT OF SOCIAL SERVICES
TPL CONTRACTS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	4,250,000	4,250,000	8,500,000	
	Total	**0.00**	**0**	**4,250,000**	**4,250,000**	**8,500,000**	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	4,250,000	4,250,000	8,500,000	
	Total	**0.00**	**0**	**4,250,000**	**4,250,000**	**8,500,000**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	4,250,000	4,250,000	8,500,000	
	Total	**0.00**	**0**	**4,250,000**	**4,250,000**	**8,500,000**	

Budget Unit
  Decision Item
    Budget Object Summary
      Fund
	FY 2021
	ACTUAL
	DOLLAR
		FY 2021
		ACTUAL
		FTE
			FY 2022
			BUDGET
			DOLLAR
				FY 2022
				BUDGET
				FTE
					FY 2023
					DEPT REQ
					DOLLAR
						FY 2023
						DEPT REQ
						FTE
							*************
							SECURED
							COLUMN
								*************
								SECURED
								COLUMN

TPL CONTRACTS								
CORE								
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	2,694,026	0.00	4,250,000	0.00	4,250,000	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	2,694,026	0.00	4,250,000	0.00	4,250,000	0.00	0	0.00
TOTAL - EE	5,388,052	0.00	8,500,000	0.00	8,500,000	0.00	0	0.00
TOTAL	**5,388,052**	**0.00**	**8,500,000**	**0.00**	**8,500,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$5,388,052**	**0.00**	**$8,500,000**	**0.00**	**$8,500,000**	**0.00**	**$0**	**0.00**

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Budget Unit Decision Item 　　Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
TPL CONTRACTS								
CORE								
PROFESSIONAL SERVICES	5,388,052	0.00	8,500,000	0.00	8,500,000	0.00	0	0.00
TOTAL - EE	**5,388,052**	**0.00**	**8,500,000**	**0.00**	**8,500,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$5,388,052**	**0.00**	**$8,500,000**	**0.00**	**$8,500,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$2,694,026**	**0.00**	**$4,250,000**	**0.00**	**$4,250,000**	**0.00**		**0.00**
OTHER FUNDS	**$2,694,026**	**0.00**	**$4,250,000**	**0.00**	**$4,250,000**	**0.00**		**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Third Party Liability (TPL) Contracts
Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

HB Section(s):   **11.615**

1a.   What strategic priority does this program address?

Reduce Medicaid overall costs

1b.   What does this program do?

The TPL program utilizes a combination of contractor and state staff resources to research and identify potentially liable third party sources and then pursues those alternative payment methods. MO HealthNet is able to avoid and/or recover costs for medical services provided to the state's Medicaid population. While this appropriation only funds the TPL contractor, both contractor and state staff responsibilities are discussed below. Funding for the MO HealthNet TPL Unit, are appropriated under MO HealthNet Administration. Even though some responsibilities are shared, the TPL Unit and the contractor each perform specific cost saving and recovery activities. The contractor focuses on bulk billings to insurance carriers and other third parties and data matches to identify potential third parties.

The following list itemizes the activities performed by the contractor:

- Health insurance billing and follow-up
- Data matches and associated billing (Tricare, Missouri Consolidated Health Care Plan, and other insurance carriers such as Blue Cross Blue Shield, United Healthcare, and Aetna)
- Provide TPL information for state files
- Post accounts receivable data to the state A/R system
- Maintain insurance billing files

Program Objectives are to recover funds:

- From third-party sources when liability at the time of service had not yet been determined
- When the third-party source was not known at the time of MO HealthNet payment
- For services that are federally mandated to be paid and then pursued

Reimbursement Methodology

The TPL contract appropriation allows for payment to the contractor who works with the agency on TPL recovery and cost avoidance activities. The contractor is paid for its recovery services through a contingency contract rate for cash recoveries of 15% for the first $20 million recovered, 14% for any recoveries over $20 million and up to $30 million, and 13% for recoveries over $30 million, which resets annually. There is also a "per member per month" (PMPM) rate of $0.235 for cost avoidance services which is based on currently enrolled participants. Health plans in the MO HealthNet Managed Care program are responsible for the TPL activities related to plan enrollees.
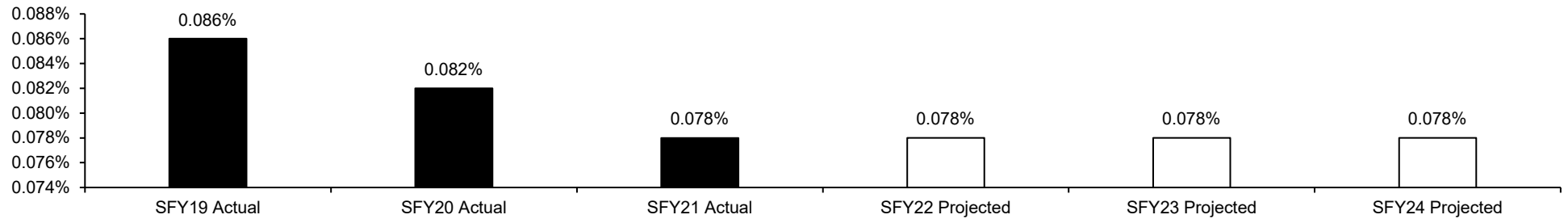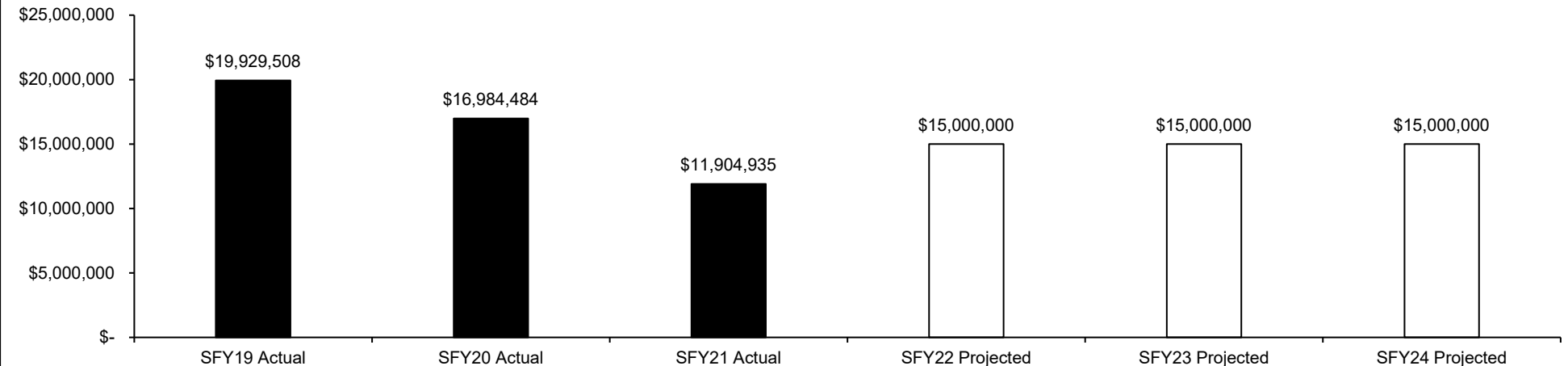
PROGRAM DESCRIPTION

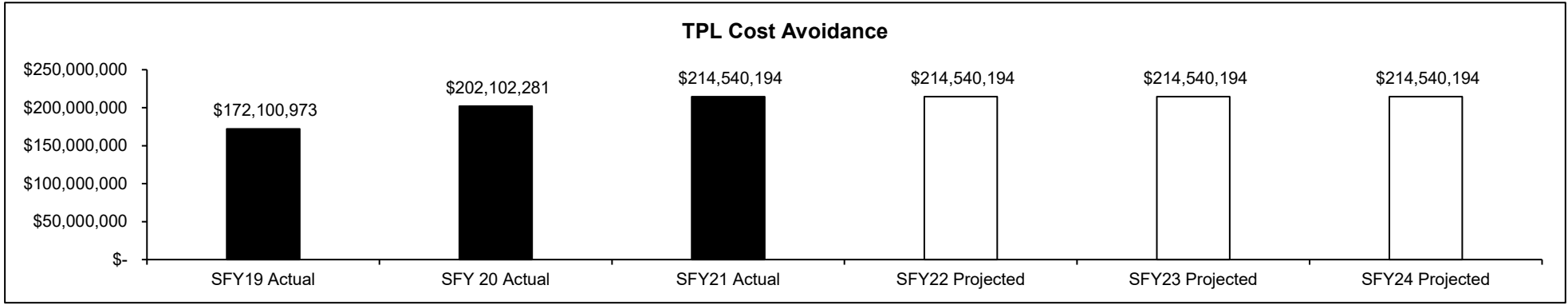**Department: Social Services**
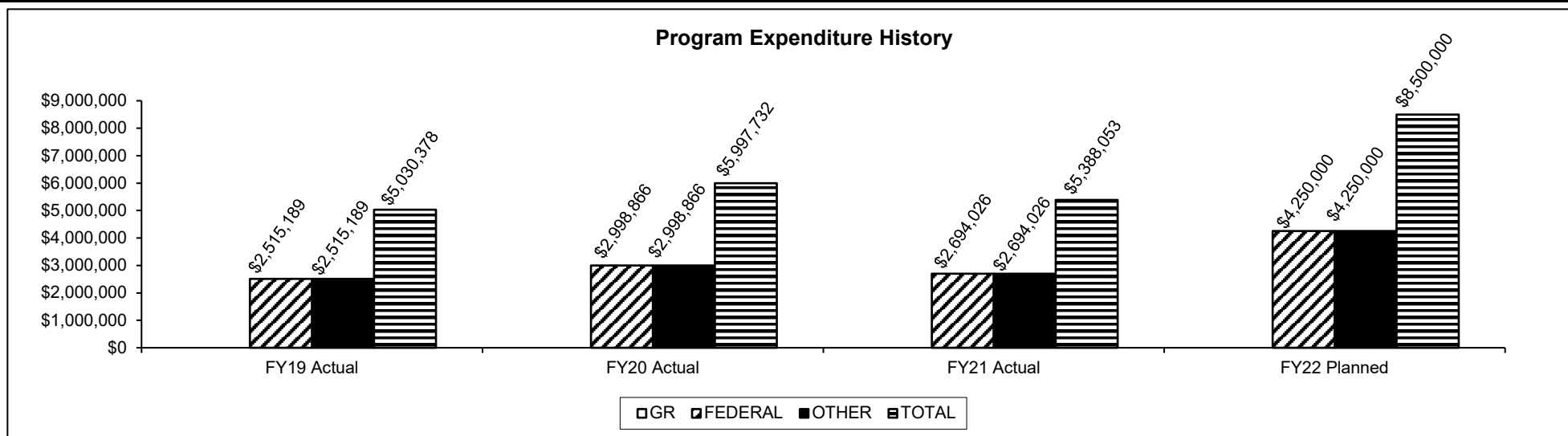**Program Name: Third Party Liability (TPL) Contracts**
Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

HB Section(s):   **11.615**

2a. Provide an activity measure for the program.

Program Percentage Cost of Total MHD Budget

Year	Percentage
SFY19 Actual	0.086%
SFY20 Actual	0.082%
SFY21 Actual	0.078%
SFY22 Projected	0.078%
SFY23 Projected	0.078%
SFY24 Projected	0.078%

2b. Provide a measure of the program's quality.

Cash Recoveries by TPL Contractor

Year	Amount
SFY19 Actual	$19,929,508
SFY20 Actual	$16,984,484
SFY21 Actual	$11,904,935
SFY22 Projected	$15,000,000
SFY23 Projected	$15,000,000
SFY24 Projected	$15,000,000

*Managed Care was implemented in 2017. TPL has a 36 month period in which we can collect recoveries on claims. A majority of Medicaid participants are now in Managed Care. This, along with decreased claims during the PHE, accounts for the decreased recoveries seen in FY20 and FY21.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):   11.615**
Program Name: Third Party Liability (TPL) Contracts
Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

2c.   Provide a measure of the program's impact.

TPL Cost Avoidance

Fiscal Year	Amount
SFY19 Actual	$172,100,973
SFY 20 Actual	$202,102,281
SFY21 Actual	$214,540,194
SFY22 Projected	$214,540,194
SFY23 Projected	$214,540,194
SFY24 Projected	$214,540,194

Identification of TPL policies allows MO HealthNet to pay secondary on claims for these participants. This allows us to avoid paying the majority of costs for these individuals

2d.   Provide a measure(s) of the program's efficiency.

Percentage of MO HealthNet Participants with TPL Identified

Fiscal Year	Percentage of MO HealthNet Participants with TPL Identified	Number of MO HealthNet Participants (June 30 of each Fiscal Year)
SFY19 Actual	18%	858,077
SFY20 Actual	33%	939,919
SFY21 Actual	31%	1,030,052
SFY22 Projected	34%	939,919
SFY23 Projected	38%	858,077
SFY24 Projected	38%	858,077

PROGRAM DESCRIPTION

Department: Social Services
HB Section(s): **11.615**
Program Name: Third Party Liability (TPL) Contracts
Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

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3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year; and, when available, the Governor's recommended funding for the upcoming fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Planned
GR				
FEDERAL	$2,515,189	$2,998,866	$2,694,026	$4,250,000
OTHER	$2,515,189	$2,998,866	$2,694,026	$4,250,000
TOTAL	$5,030,378	$5,997,732	$5,388,053	$8,500,000

Legend: □GR ▨FEDERAL ■OTHER ▤TOTAL

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4. What are the sources of the "Other " funds?

Third Party Liability Collections Fund (0120)

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Sections 198.090, 208.101, 208.153, 208.166, 208.215, 473.398, and 473.399, RSMo. State regulation: 13 CSR 70-4.120 and 13 CSR 0-1.010. Federal law: Social Security Act, Section 1902, 1930, 1906, 1912, and 1917. Federal regulation: 42 CFR 433 Subpart D.

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6. Are there federal matching requirements? If yes, please explain.

General Medicaid administrative expenditures require a 50% match.

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7. Is this a federally mandated program? If yes, please explain.

By Federal Statute Sec. 1102 of the Social Security Act (42 U.S.C. 1302) and federal regulation, (42 CFR 433.138) - Identifying liable third parties, States are required to pursue all other available third party resources, who must meet their legal obligation to pay claims before the MO HealthNet program pays for the care of a participant. Missouri is required to take all reasonable measures to ascertain the legal liability of third parties to pay for care and services that are available under the Medicaid State Plan.

Core - Information Systems

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Information Systems

Budget Unit: 90522C

HB Section: 11.620

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	**PS**	0	0	0	0
EE	34,981,032	78,687,314	2,021,687	115,690,033	**EE**	0	0	0	0
PSD	0	0	0	0	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	34,981,032	78,687,314	2,021,687	115,690,033	**Total**	0	0	0	0
FTE	0.00	0.00	0.00	0.00	**FTE**	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (0108) - $430,000
　　　　　　 Health Initiatives Fund (0275) - $1,591,687

Other Funds:

2. CORE DESCRIPTION

This core request is for the continued funding of MO HealthNet's Information Systems. Core funding is used to pay for the Medicaid Management Information Systems (MMIS) contract. The MMIS contractor processes fee-for-service (FFS) claims and managed care encounter data, and calculates provider and health plan payments. Managed care encounter data is processed through the system similar to FFS claims. The data is used by the Managed Care Unit for contract administration and rate setting purposes.

3. PROGRAM LISTING (list programs included in this core funding)
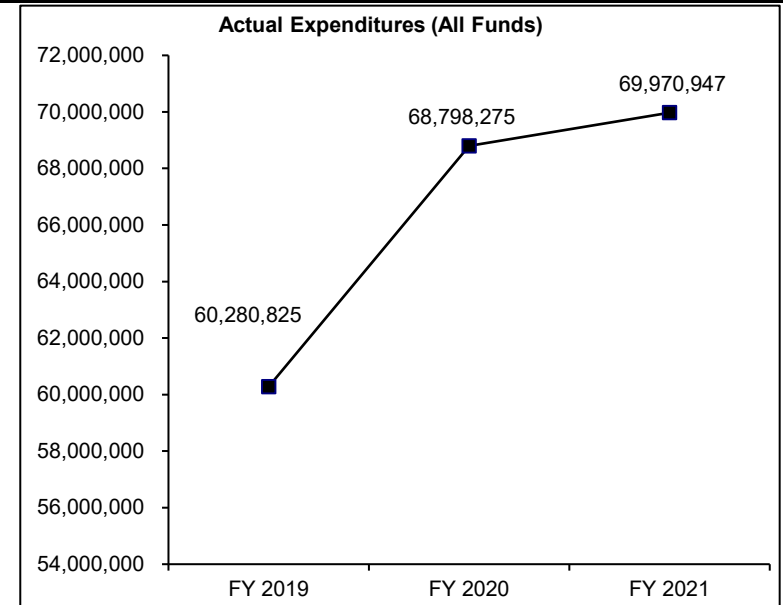
Information Systems

Department: Social Services   **Budget Unit:**   **90522C**
Division: MO HealthNet
Core: Information Systems   **HB Section:**   **11.620**

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr.
Appropriation (All Funds)	84,803,760	105,163,278	106,738,672	115,690,033
Less Reverted (All Funds)	(695,029)	(871,021)	(884,181)	(1,097,182)
Less Restricted (All Funds)	0	(1,000,000)	0	0
Budget Authority (All Funds)	84,108,731	103,292,257	105,854,491	114,592,851
Actual Expenditures (All Funds)	60,280,825	68,798,275	69,970,947	N/A
Unexpended (All Funds)	23,827,906	34,493,982	35,883,544	N/A
Unexpended, by Fund:				
General Revenue	893,750	6,212,800	6,557,403	N/A
Federal	22,934,156	28,281,182	29,326,141	N/A
Other	0	0	0	N/A
	(1)	(2)		

Actual Expenditures (All Funds)

- FY 2019: 60,280,825
- FY 2020: 68,798,275
- FY 2021: 69,970,947

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
(1) FY19 - Funding was reallocated from various program lines to the Information Systems section to pay for contract expenditures.
(2) FY20 - New Decision Items were funded for FY20: MMIS Replacement ($350,000 GR, $3,150,000 FED), MMIS Development ($1,335,750 GR, $5,979,250 FED), Enrollment Broker ($1,320,000 GR, $2,680,000 FED), and MMIS Health Information Exchange ($2,860,624 GR, $2,860,624 FED). $176,730 GR was held in agency reserve. FY20 lapse is due to timing of contract payments and $1 million GR was placed in restriction in FY20.

DEPARTMENT OF SOCIAL SERVICES
INFORMATION SYSTEMS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	34,981,032	78,687,314	2,021,687	115,690,033	
	Total	**0.00**	**34,981,032**	**78,687,314**	**2,021,687**	**115,690,033**	
DEPARTMENT CORE REQUEST							
	EE	0.00	34,981,032	78,687,314	2,021,687	115,690,033	
	Total	**0.00**	**34,981,032**	**78,687,314**	**2,021,687**	**115,690,033**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	34,981,032	78,687,314	2,021,687	115,690,033	
	Total	**0.00**	**34,981,032**	**78,687,314**	**2,021,687**	**115,690,033**	

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	20,487,167	0.00	34,981,032	0.00	34,981,032	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	47,509,844	0.00	78,687,314	0.00	78,687,314	0.00	0	0.00
UNCOMPENSATED CARE FUND	430,000	0.00	430,000	0.00	430,000	0.00	0	0.00
HEALTH INITIATIVES	1,543,936	0.00	1,591,687	0.00	1,591,687	0.00	0	0.00
TOTAL - EE	69,970,947	0.00	115,690,033	0.00	115,690,033	0.00	0	0.00
TOTAL	**69,970,947**	**0.00**	**115,690,033**	**0.00**	**115,690,033**	**0.00**	**0**	**0.00**
MHD CTC - 1886029								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	2,416,534	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	7,249,601	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	9,666,135	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**9,666,135**	**0.00**	**0**	**0.00**
MMIS Operational Costs - 1886033								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	642,951	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	1,121,356	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	1,764,307	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,764,307**	**0.00**	**0**	**0.00**
MMIS - BIS-EDW (Adding Eligibi - 1886034								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	500,000	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	4,500,000	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	5,000,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**5,000,000**	**0.00**	**0**	**0.00**
MMIS - HIE - 1886035								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	2,488,563	0.00	0	0.00

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DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
MMIS - HIE - 1886035								
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	2,488,563	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	4,977,126	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**4,977,126**	**0.00**	**0**	**0.00**
MMIS - Component Upgrades - 1886036								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	1,893,750	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	5,681,250	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	7,575,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**7,575,000**	**0.00**	**0**	**0.00**
MMIS - Interoperability Requir - 1886037								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	150,000	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	1,350,000	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	1,500,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,500,000**	**0.00**	**0**	**0.00**
MMIS Identity and Access Manag - 1886038								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	500,000	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	4,500,000	0.00	0	0.00
TOTAL - EE	0	0.00	0	0.00	5,000,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**5,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$69,970,947**	**0.00**	**$115,690,033**	**0.00**	**$151,172,601**	**0.00**	**$0**	**0.00**

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FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90522C BUDGET UNIT NAME: Information Systems HOUSE BILL SECTION: 11.620	DEPARTMENT: Social Services DIVISION: MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.
Department Request
.25% of flexibility is requested between sections 11.600 (MHD Admin), 11.620 (Information Systems), 11.700 (Pharmacy and Clawback), 11.715 (Physician Related Prof), 11.730 (Nursing Facilities and Home Health), 11.745 (Rehab Specialty Services and NEMT), 11.750 (GEMT), 11.760 (Managed Care), and 11.765 (Hospital Care).

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
$0	DSS will flex up to .25% between sections.	Up to .25% flexibility will be used.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
N/A	Flex is to be used in the Administration and Information System sections that allows MHD to pay for contractual expenditures to allow MHD to continue oversight and operation of the Medicaid program.

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
CORE								
PROFESSIONAL SERVICES	69,970,947	0.00	115,690,033	0.00	115,690,033	0.00	0	0.00
TOTAL - EE	**69,970,947**	**0.00**	**115,690,033**	**0.00**	**115,690,033**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$69,970,947**	**0.00**	**$115,690,033**	**0.00**	**$115,690,033**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$20,487,167	0.00	$34,981,032	0.00	$34,981,032	0.00		0.00
FEDERAL FUNDS	$47,509,844	0.00	$78,687,314	0.00	$78,687,314	0.00		0.00
OTHER FUNDS	$1,973,936	0.00	$2,021,687	0.00	$2,021,687	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services　　　　　　　　　　　　　　　　　　　　　　**HB Section(s):**　　　　**11.620**
Program Name: Information Systems
Program is found in the following core budget(s): Information Systems

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1a. What strategic priority does this program address?

Timely automated processing and reporting

1b. What does this program do?

The Information Systems program area manages the Medicaid Management Information System (MMIS) and the contracts with the vendors that develop, operate, and maintain the system.

The primary functions of the MMIS include claims and encounter processing, calculating provider payments, healthcare service provider management, drug rebate invoicing and collection, processing third party liability, federal financial reporting, administrative workflow management, and reporting and analytics.

The primary goal of the MMIS is to support the operation of the MO HealthNet Program by accomplishing the following:

- Automation of key business processes to support the program policies and processes to ensure compliance with federal and state law
- Access for providers and users to program and participant eligibility information required to support provision of services to program participants
- Timely and accurate claims processing and payment to providers
- Timely and accurate processing of capitation payments to Managed Care health plans
- Accurate reporting of program costs and outcomes to Centers for Medicare & Medicaid Services (CMS) and maximization of federal financial participation
- Comprehensive and accurate reporting and analytics services and sharing of claims data to support administrative and program decision support, monitoring of program metrics, and improvements in program quality and care management
- Ongoing system modifications to support new program initiatives, meet changing federal and state program requirements, and further business automation
- Procurement and implementation of replacement MMIS subsystems and services in compliance with federal MMIS enhanced funding requirements

The state receives enhanced federal funding for the development and operation of the MMIS. The Information Systems program area manages the enhanced funding including review of CMS regulations and guidance, the submission of planning documents to CMS to request enhanced funding, and the review and approval of system-related costs.

CMS updated the rule related to the enhanced funding in December 2016, and continues to issue sub-regulatory guidance that is changing the conditions for receiving enhanced funding for investments in Information Technology. The guidance encourages the replacement of legacy MMIS systems such as Missouri's system with more modular and reusable solutions. MO HealthNet is working on several system procurement projects intended to replace MMIS subsystems with solutions utilizing modern technologies and complying with the CMS conditions. The procurement and replacement of MMIS systems requires a multi-year effort, and a significant capital investment, but offers future cost savings through technology that is less expensive to operate and maintain, and is more flexible allowing for quicker implementation of program changes. As part of the MMIS procurement effort, MO HealthNet has awarded a contract for a Business Intelligence Solution and Enterprise Data Warehouse (BIS/EDW) and Missouri Medicaid Audit and Compliance (MMAC) has awarded a contract for a Program Integrity Solution.

PROGRAM DESCRIPTION
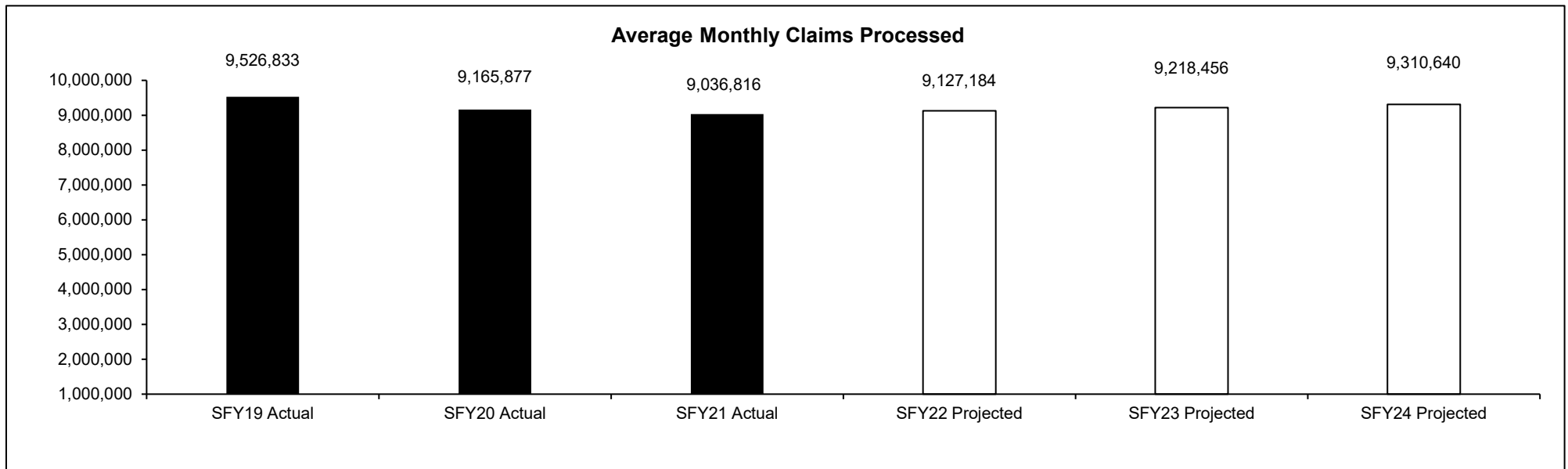
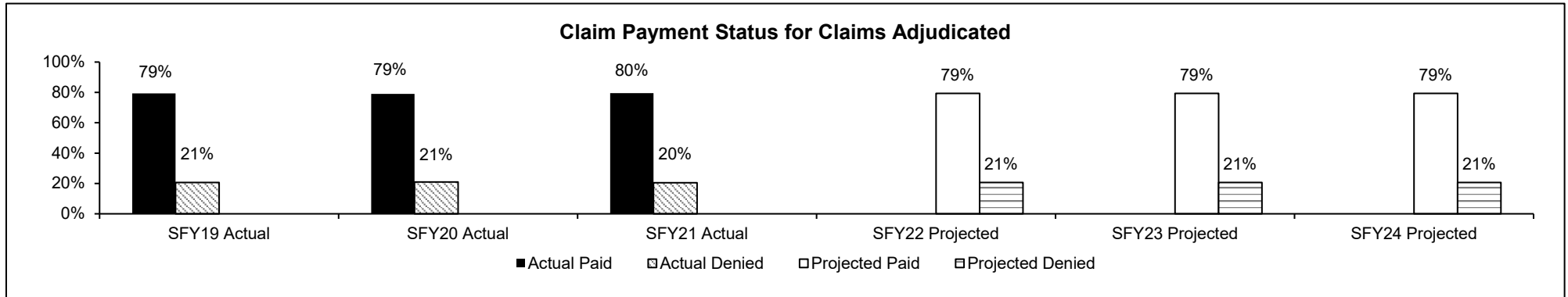**Department: Social Services**   **HB Section(s):**   **11.620**
Program Name: Information Systems
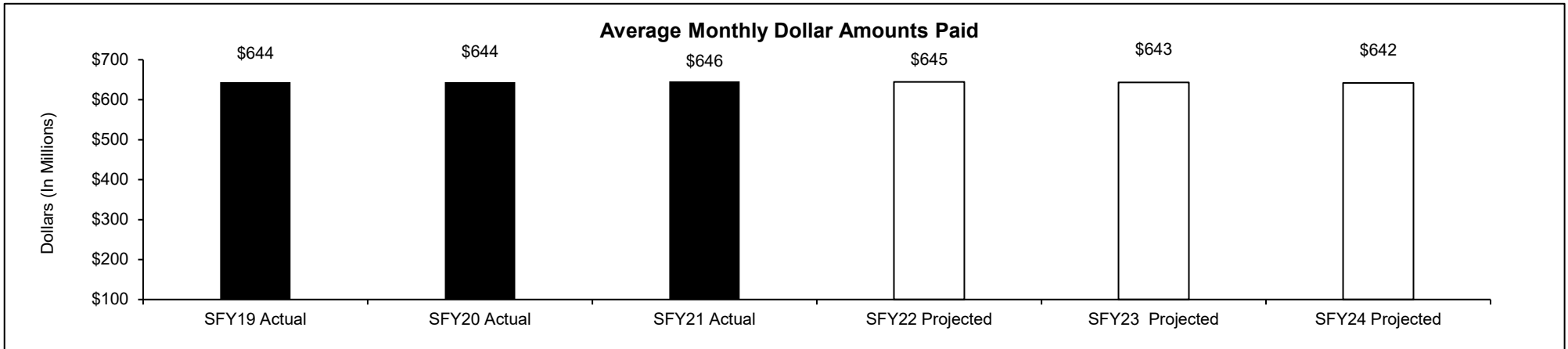**Program is found in the following core budget(s): Information Systems**

2a. Provide an activity measure(s) for the program.

The MMIS supports the program through the automation of business processes, allowing the program to complete millions of transactions with providers and health plans utilizing a minimal number of staff.

Average Monthly Claims Processed

	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
	9,526,833	9,165,877	9,036,816	9,127,184	9,218,456	9,310,640

*SFY20 and SFY21 actuals were directly impacted by a reduction in the utilization of healthcare services resulting from the pandemic. MO HealthNet anticipates an increase in SFY22 as utilization returns to normal while the number of program eligibles remains above normal.
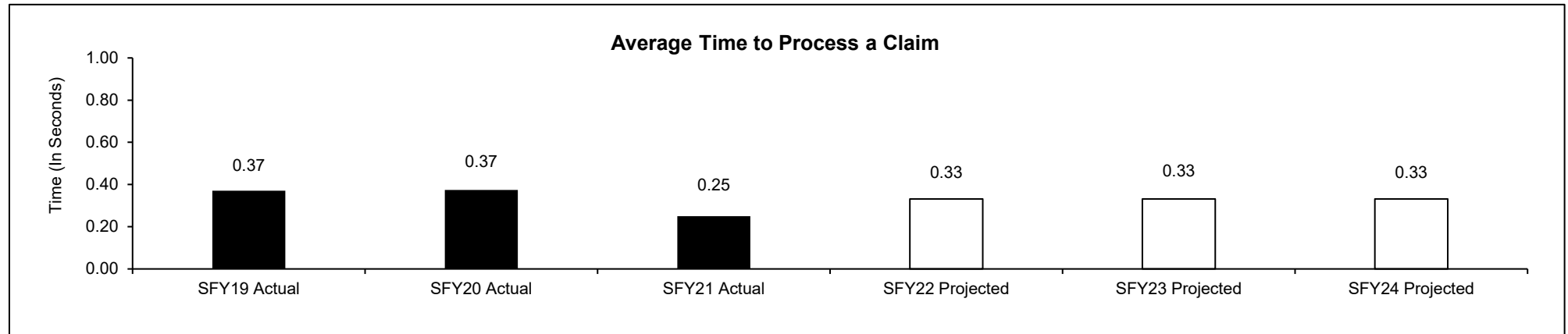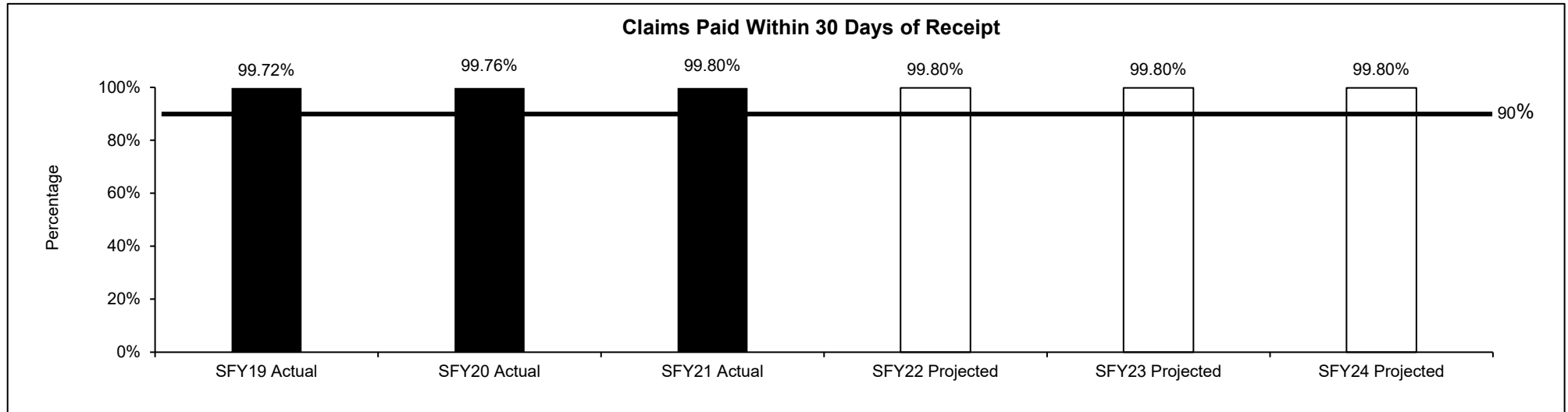
PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.620**
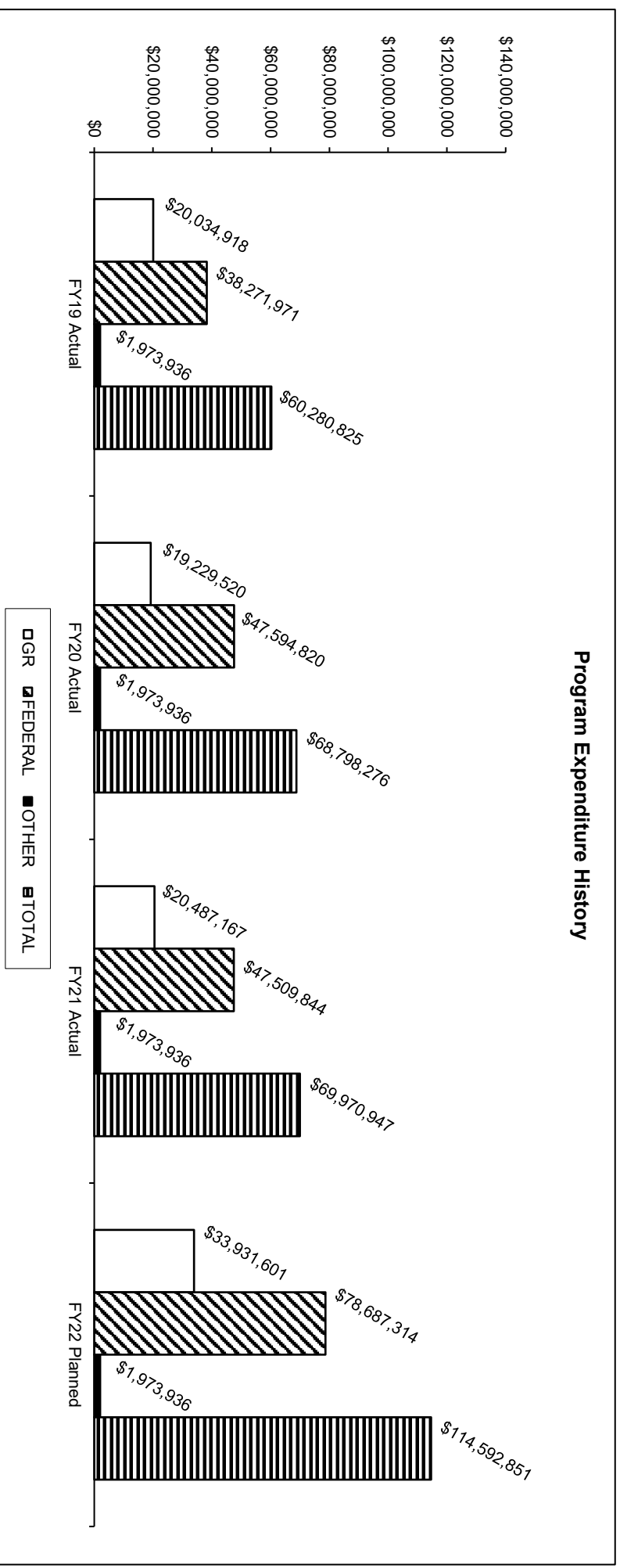**Program Name: Information Systems**
Program is found in the following core budget(s): Information Systems

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2b. Provide a measure(s) of the program's quality.

Percentage of claims paid or denied each month by Medicaid Management Information System (MMIS)

Claim Payment Status for Claims Adjudicated

	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
Paid	79%	79%	80%	79%	79%	79%
Denied	21%	21%	20%	21%	21%	21%

■ Actual Paid   ▨ Actual Denied   ▢ Projected Paid   ▢ Projected Denied

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2c. Provide a measure(s) of the program's impact.

Amount paid to providers by MMIS on claims adjudicated monthly during the fiscal year.

Average Monthly Dollar Amounts Paid

Dollars (In Millions)

SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
$644	$644	$646	$645	$643	$642

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*SFY20 and SFY21 actuals were directly impacted by a reduction in the utilization of healthcare services resulting from the pandemic. MO HealthNet anticipates a decrease in SFY22 as utilization returns to normal while the number of program eligibles remains above normal.

PROGRAM DESCRIPTION

Department: Social Services

HB Section(s):   **11.620**

Program Name: Information Systems

Program is found in the following core budget(s): Information Systems

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2d. Provide a measure(s) of the program's efficiency.

Promptly pay claims to providers per Federal regulation 42 CFR 447.45(d), state must pay 90% of clean claims received within 30 days of receipt.

Claims Paid Within 30 Days of Receipt

	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
Percentage	99.72%	99.76%	99.80%	99.80%	99.80%	99.80%

90% threshold line shown.

Average Time to Process a Claim

	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
Time (In Seconds)	0.37	0.37	0.25	0.33	0.33	0.33

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Information Systems
Program is found in the following core budget(s): Information Systems

HB Section(s): **11.620**

3. **Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (***Note: Amounts do not include fringe benefit costs.***)**

Program Expenditure History

	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Planned
GR	$20,034,918	$19,229,520	$20,487,167	$33,931,601
FEDERAL	$38,271,971	$47,594,820	$47,509,844	$78,687,314
OTHER	$1,973,936	$1,973,936	$1,973,936	$1,973,936
TOTAL	$60,280,825	$68,798,276	$69,970,947	$114,592,851

Legend: □ GR ▨ FEDERAL ■ OTHER ▤ TOTAL

Planned FY2022 expenditures are net of reverted.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.620**
Program Name: Information Systems
Program is found in the following core budget(s): Information Systems

4. What are the sources of the "Other " funds?

Health Initiatives Fund (0275)
Uncompensated Care Fund (0108)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Sections 208.166 and 208.201, RSMo. Federal law: Social Security Act Section 1902(a)(4), 1903(a)(3) and 1915(b). Federal Regulation: 42 CFR 433(C) and 438; Children's Health Insurance Program State Plan Amendment.

6. Are there federal matching requirements? If yes, please explain.

Expenditures for MMIS operations have three different federal financial participation (FFP) rates. The majority of MMIS expenditures earn 75% FFP and require 25% state share. Functions earning 75% include MMIS base operations and call center operations. Approved system enhancements earn 90% FFP and require 10% state share. Enrollment broker services, postage and general Medicaid administrative expenditures earn 50% FFP and requires 50% state share.

7. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902(a)(4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

NDI - MMIS – Operational Costs

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90522C**
Division: MO HealthNet Division
DI Name: MMIS Operational Costs   **DI# 1886033**   **HB Section:**   **11.620**

1. AMOUNT OF REQUEST

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0	**PS**	0	0	0	0
EE	642,951	1,121,356	0	1,764,307	**EE**	0	0	0	0
PSD	0	0	0	0	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**642,951**	**1,121,356**	**0**	**1,764,307**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**	**0.00**	**0.00**	**0.00**	**0.00**

Est. Fringe	0	0	0	0		*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A   Other Funds:
Non-Counts: N/A   Non-Counts:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program	Fund Switch
	Federal Mandate	**X**	Program Expansion	Cost to Continue
	GR Pick-Up		Space Request	Equipment Replacement
	Pay Plan		Other:	

NEW DECISION ITEM

Department: Social Services   Budget Unit: 90522C
Division: MO HealthNet Division
DI Name: MMIS Operational Costs   DI# 1886033   HB Section: 11.620

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This NDI is needed to fund the increased costs related to the contract extension for the Missouri Medicaid Information System (MMIS)/Fiscal Agent contract with Infocrossing, the contract extension for the Clinical Management Services and Pharmacy Claims and Prior Authorization (CMSP) contract with Conduent and operational costs under the Enterprise Data Warehouse contract with IBM.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

This NDI is needed to fund the increased costs related to the contract extension for the Missouri Medicaid Information System (MMIS)/Fiscal Agent contract with Infocrossing, the contract extension for the Clinical Management Services and Pharmacy Claims and Prior Authorization (CMSP) contract with Conduent and operational costs under the Enterprise Data Warehouse contract with IBM.

	Match	GR	Fed	Other	Total
MMIS Operations/Call Center	50/75 Blend	$375,562	$697,471	$ -	$ 1,073,033
MMIS Enhancements	25/75	$15,267	$45,802	$ -	$ 61,069
MMIS Reporting Licenses	25/75	$131	$394	$ -	$ 525
Medical Review Staff	50/50	$8,550	$8,550	$ -	$ 17,100
Pharmacy Review Staff	50/50	$21,393	$21,393	$ -	$ 42,786
CMSP Operations/Call Center	25/75	$37,909	$113,726	$ -	$ 151,635
Prior Authorization Services	25/75	$24,409	$73,227	$ -	$ 97,636
CMSP Reporting System	25/75	$531	$1,593	$ -	$ 2,124
Payment Methodology Development Services	50/50	$9,546	$9,546	$ -	$ 19,092
Data Warehouse Operations	50/50	$149,654	$149,654	$ -	$ 299,308
TOTAL		**$642,951**	$ 1,121,356	$ -	$ 1,764,307

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90522C**
Division: MO HealthNet Division
DI Name: MMIS Operational Costs   **DI# 1886033**   **HB Section:**   **11.620**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
400 - Professional Services	642,951	0.0	1,121,356	0.0	0	0.0	1,764,307	0.0	0
Total EE	**642,951**	**0.0**	**1,121,356**	**0.0**	**0**	**0.0**	**1,764,307**	**0.0**	**0**
Grand Total	**642,951**	**0.0**	**1,121,356**	**0.0**	**0**	**0.0**	**1,764,307**	**0.0**	**0.0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. **Provide an activity measure(s) for the program.**

Please see the Information Systems core section for performance measures.

6b. **Provide a measure(s) of the program's quality.**

Please see the Information Systems core section for performance measures.

6c. **Provide a measure(s) of the program's impact.**

Please see the Information Systems core section for performance measures.

6d. **Provide a measure(s) of the program's efficiency.**

Please see the Information Systems core section for performance measures.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
MMIS Operational Costs - 1886033								
PROFESSIONAL SERVICES	0	0.00	0	0.00	1,764,307	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**1,764,307**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,764,307**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$642,951**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$1,121,356**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

NDI - MMIS - BIS - EDW

NEW DECISION ITEM

Department: Social Services
Division: MO HealthNet Division
DI Name: MMIS MEDES Data to BIS-EDW   **DI# 1886034**

Budget Unit: 90522C

HB Section: 11.620

1. AMOUNT OF REQUEST

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	**PS**	0	0	0	0
EE	500,000	4,500,000	0	5,000,000	**EE**	0	0	0	0
PSD	0	0	0	0	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**500,000**	**4,500,000**	**0**	**5,000,000**	**Total**	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00	**FTE**	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A
Non-Counts: N/A

Other Funds:
Non-Counts:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate	**X**	Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

MO HealthNet has implemented a Medicaid business intelligence solution-enterprise data warehouse (BIS-EDW) solution that currently contains data from the Medicaid Management Information System (MMIS). MO HealthNet is proposing to expand the data warehouse by adding the eligibility data from the Missouri Eligibility Determination and Enrollment System (MEDES) which will allow users to access and report on data throughout the Medicaid value chain from application through enrollment and payment for claims.

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90522C**
Division: MO HealthNet Division
DI Name: MMIS MEDES Data to BIS-EDW   **DI# 1886034**   **HB Section:**   **11.620**

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

MO HealthNet is proposing to expand the data warehouse by adding the eligibility data from the Missouri Eligibility Determination and Enrollment System (MEDES) which will allow users to access and report on data throughout the Medicaid value chain from application through enrollment and payment for claims.

	FTE	GR	Fed	Other	Total	Match Rate
MMIS Adding MEDES Data to BIS-EDW	0	500,000	4,500,000	0	5,000,000	90/10
TOTAL	0	500,000	4,500,000	0	5,000,000	

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90522C**
Division: MO HealthNet Division
DI Name: MMIS MEDES Data to BIS-EDW   **DI# 1886034**   **HB Section:**   **11.620**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
400 - Professional Services	500,000	0.0	4,500,000	0.0	0	0.0	5,000,000	0.0	0
Total EE	**500,000**	**0.0**	**4,500,000**	**0.0**	**0**	**0.0**	**5,000,000**	**0.0**	**0**
Grand Total	**500,000**	**0.0**	**4,500,000**	**0.0**	**0**	**0.0**	**5,000,000**	**0.0**	**0.0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a.   **Provide an activity measure(s) for the program.**

Please see the Information Systems core section for performance measures.

6b.   **Provide a measure(s) of the program's quality.**

Please see the Information Systems core section for performance measures.

6c.   **Provide a measure(s) of the program's impact.**

Please see the Information Systems core section for performance measures.

6d.   **Provide a measure(s) of the program's efficiency.**

Please see the Information Systems core section for performance measures.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item 　Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
MMIS - BIS-EDW (Adding Eligibi - 1886034								
PROFESSIONAL SERVICES	0	0.00	0	0.00	5,000,000	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**5,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$5,000,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$500,000**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$4,500,000**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

NDI - MMIS - Health Information Exchange

NEW DECISION ITEM

Department: Social Services
Division: MO HealthNet Division
DI Name: MMIS Health Information Exchange   **DI# 1886035**

Budget Unit: **90522C**

HB Section: **11.620**

1. AMOUNT OF REQUEST

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0	**PS**	0	0	0	0
EE	2,488,563	2,488,563	0	4,977,126	**EE**	0	0	0	0
PSD	0	0	0	0	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**2,488,563**	**2,488,563**	**0**	**4,977,126**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**	**0.00**	**0.00**	**0.00**	**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	***Est. Fringe***	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A
Non-Counts: N/A

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:
Non-Counts:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate	**X**	Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

NEW DECISION ITEM

Department: Social Services
Division: MO HealthNet Division
DI Name: MMIS Health Information Exchange   **DI# 1886035**

Budget Unit: **90522C**

HB Section: **11.620**

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This NDI will fund additional Health Information Exchange Services through the Missouri Medicaid Management Information System (MMIS). MO HealthNet has established contracts with four Missouri Health Information Networks for health information exchange services. The American Reinvestment and Recovery Act of 2009 (ARRA) included a provision titled the Health Information Technology for Economic and Clinical Health Act (HITECH). HITECH is administered by the Office of the National Coordinator for Health Information Technology (ONC).   HITECH supports activities to facilitate and expand the electronic movement and use of health information among organizations according to nationally recognized standards through activities that include promoting participation in the statewide and nationwide exchange of health information and promoting the use of electronic health records by healthcare service providers for quality improvement.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

This NDI is for funding to pay HIN subscription fees established in the contracts and to develop and maintain interfaces between the MMIS and the HINs utilizing the existing MO HealthNet Health Information Exchange platform. The HIN contracts define a total of seven projects related to establishing different health information exchange services. The services include the electronic transfer of claims data from MO HealthNet to the HIN participants, the electronic transfer of clinical data from HIN participants to State Agencies, a web application allowing state employees to query the HIN for clinical data related to a MO HealthNet participant, and functionality to support the receipt of care management alerts from HINs to improve coordination of care.

	FTE	GR	Fed	Other	Total	Match Rate
MMIS Health Information Exchange (HIE)	0	2,488,563	2,488,563	0	4,977,126	50/50
TOTAL	**0**	**2,488,563**	**2,488,563**	**0**	**4,977,126**	

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90522C**
Division: MO HealthNet Division
DI Name: MMIS Health Information Exchange   **DI# 1886035**   **HB Section:**   **11.620**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
400 - Professional Services	2,488,563	0.0	2,488,563	0.0	0	0.0	4,977,126	0.0	0
Total EE	**2,488,563**	**0.0**	**2,488,563**	**0.0**	**0**	**0.0**	**4,977,126**	**0.0**	**0**
Grand Total	**2,488,563**	**0.0**	**2,488,563**	**0.0**	**0**	**0.0**	**4,977,126**	**0.0**	**0.0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. **Provide an activity measure(s) for the program.**

Please see the Informaction Systems core section for performance measures.

6b. **Provide a measure(s) of the program's quality.**

Please see the Informaction Systems core section for performance measures.

6c. **Provide a measure(s) of the program's impact.**

Please see the Informaction Systems core section for performance measures.

6d. **Provide a measure(s) of the program's efficiency.**

Please see the Informaction Systems core section for performance measures.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
MMIS - HIE - 1886035								
PROFESSIONAL SERVICES	0	0.00	0	0.00	4,977,126	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**4,977,126**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$4,977,126**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$2,488,563**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$2,488,563**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

NDI - MMIS – Component Upgrades

NEW DECISION ITEM

Department: Social Services
Division: MO HealthNet Division
DI Name: MMIS Component Upgrades DI# 1886036

Budget Unit: **90522C**

HB Section: **11.620**

1. AMOUNT OF REQUEST

	FY 2023 Budget Request						FY 2023 Governor's Recommendation			
	GR	Federal	Other	Total			GR	Federal	Other	Total
PS	0	0	0	0		**PS**	0	0	0	0
EE	1,893,750	5,681,250	0	7,575,000		**EE**	0	0	0	0
PSD	0	0	0	0		**PSD**	0	0	0	0
TRF	0	0	0	0		**TRF**	0	0	0	0
Total	**1,893,750**	**5,681,250**	**0**	**7,575,000**		**Total**	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00		**FTE**	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0		*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A
Non-Counts: N/A

Other Funds:
Non-Counts:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		X	New Program			Fund Switch
	Federal Mandate			Program Expansion			Cost to Continue
	GR Pick-Up			Space Request			Equipment Replacement
	Pay Plan			Other:			

90

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90522C**
Division: MO HealthNet Division
DI Name: MMIS Component Upgrades   **DI# 1886036**   **HB Section:**   **11.620**

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3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

The legacy Medicaid Management Information System (MMIS) is composed of numerous software components providing key functionality required to support operation of the MO HealthNet program. Some of these components are Commercial Off-The-Shelf (COTS) solutions for which the software manufacturers have ended support. This NDI funds components that can be upgraded and some will have to be replaced.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Some of these components are Commercial Off-The-Shelf (COTS) solutions for which the software manufacturers have ended support. Some of these solutions can be upgraded and some will have to be replaced. These components include the fax solution; the fax tracking solution; the report request, management and distribution solutions; the system technical component connectivity solution; and the provider manual search tool.

	FTE	GR	Fed	Other	Total	Match Rate
MMIS System Component Upgrades	0	1,893,750	5,681,250	0	7,575,000	75/25
TOTAL	0	1,893,750	5,681,250	0	7,575,000	

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90522C**
Division: MO HealthNet Division
DI Name: MMIS Component Upgrades   **DI# 1886036**   **HB Section:**   **11.620**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
	Dept Req	Dept Req	Dept Req	Dept Req	Dept Req	Dept Req	Dept Req	Dept Req	Dept Req
Budget Object Class/Job Class	GR DOLLARS	GR FTE	FED DOLLARS	FED FTE	OTHER DOLLARS	OTHER FTE	TOTAL DOLLARS	TOTAL FTE	One-Time DOLLARS
400 - Professional Services	1,893,750	0.0	5,681,250	0.0	0	0.0	7,575,000	0.0	0
Total EE	**1,893,750**	**0.0**	**5,681,250**	**0.0**	**0**	**0.0**	**7,575,000**	**0.0**	**0**
Grand Total	**1,893,750**	**0.0**	**5,681,250**	**0.0**	**0**	**0.0**	**7,575,000**	**0.0**	**0.0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a.   **Provide an activity measure(s) for the program.**

Please see the Information Systems core section for performance measures.

6b.   **Provide a measure(s) of the program's quality.**

Please see the Information Systems core section for performance measures.

6c.   **Provide a measure(s) of the program's impact.**

Please see the Information Systems core section for performance measures.

6d.   **Provide a measure(s) of the program's efficiency.**

Please see the Information Systems core section for performance measures.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
MMIS - Component Upgrades - 1886036								
PROFESSIONAL SERVICES	0	0.00	0	0.00	7,575,000	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**7,575,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$7,575,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,893,750**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$5,681,250**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

NDI - MMIS – Interoperability Requirements

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   90522C
Division: MO HealthNet Division
DI Name: MMIS Interoperability Rule   **DI# 1886037**   **HB Section:**   11.620

1. AMOUNT OF REQUEST

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0	**PS**	0	0	0	0
EE	150,000	1,350,000	0	1,500,000	**EE**	0	0	0	0
PSD	0	0	0	0	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**150,000**	**1,350,000**	**0**	**1,500,000**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**	**0.00**	**0.00**	**0.00**	**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A   Other Funds:
Non-Counts: N/A   Non-Counts:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation	**X**	New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

CMS has proposed a second interoperability rule that will require the State Medicaid Agencies to exchange health information with other healthcare payers. MO HealthNet will be required to publish Application Programming Interfaces (APIs) that will allow for automated sharing of MO HealthNet health information with payers. Other payers will be required to make their health information available to MO HealthNet through APIs.

NEW DECISION ITEM

Department: Social Services Budget Unit: 90522C
Division: MO HealthNet Division
DI Name: MMIS Interoperability Rule DI# 1886037 HB Section: 11.620

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The goal is to support continuity of coverage and care for patients as they transition between payer coverage. Implementation of the APIs will be mandated by the federal Interoperability rule and failure to share information with healthcare payers will be a violation of the Information Blocking Rule established in Section 4004 of the 21st Century Cures Act. The functionality will be developed within the existing MO HealthNet health information exchange platform. MO HealthNet is working with the vendor that maintains the platform to define the project requirements and solution design.

	FTE	GR	Fed	Other	Total	Match Rate
CMS Interoperability Rule - Payer-To-Payer Data Exchange	0	150,000	1,350,000	0	1,500,000	90/10
TOTAL	**0**	**150,000**	**1,350,000**	**0**	**1,500,000**	

NEW DECISION ITEM

Department: Social Services	Budget Unit: 90522C
Division: MO HealthNet Division	
DI Name: MMIS Interoperability Rule DI# 1886037	HB Section: 11.620

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
400 - Professional Services	150,000	0.0	1,350,000	0.0	0	0.0	1,500,000	0.0	0
Total EE	**150,000**	**0.0**	**1,350,000**	**0.0**	**0**	**0.0**	**1,500,000**	**0.0**	**0**
Grand Total	**150,000**	**0.0**	**1,350,000**	**0.0**	**0**	**0.0**	**1,500,000**	**0.0**	**0.0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a.   Provide an activity measure(s) for the program.

Please see the Information Systems core section for performance measures.

6b.   Provide a measure(s) of the program's quality.

Please see the Information Systems core section for performance measures.

6c.   Provide a measure(s) of the program's impact.

Please see the Information Systems core section for performance measures.

6d.   Provide a measure(s) of the program's efficiency.

Please see the Information Systems core section for performance measures.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
MMIS - Interoperability Requir - 1886037								
PROFESSIONAL SERVICES	0	0.00	0	0.00	1,500,000	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**1,500,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,500,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$150,000	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$1,350,000	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

NDI - MMIS – Identity Access Management

NEW DECISION ITEM

Department: Social Services

Budget Unit: **90522C**

Division: MO HealthNet Division

DI Name: MMIS Identity and Access Management Solution   **DI# 1886038**   **HB Section:** **11.620**

1. AMOUNT OF REQUEST

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	PS	0	0	0	0
EE	500,000	4,500,000	0	5,000,000	EE	0	0	0	0
PSD	0	0	0	0	PSD	0	0	0	0
TRF	0	0	0	0	TRF	0	0	0	0
Total	500,000	4,500,000	0	5,000,000	Total	0	0	0	0
FTE	0.00	0.00	0.00	0.00	FTE	0.00	0.00	0.00	0.00

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A

Other Funds:

Non-Counts: N/A

Non-Counts:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation	**X**	New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

The Centers for Medicare & Medicaid Services (CMS) has finalized a rule and plans to issue additional rules requiring State Medicaid Agencies to make health information readily available electronically to program participants and providers. CMS expects the State Medicaid Agencies to streamline participant access to their health information and to streamline access to other services including eligibility determination and enrollment while protecting privacy and ensuring data security. CMS also expects the State Medicaid Agencies to streamline provider access to data and to streamline provider billing and payment functions.

NEW DECISION ITEM

Department: Social Services   Budget Unit: 90522C
Division: MO HealthNet Division
DI Name: MMIS Identity and Access Management Solution   DI# 1886038   HB Section: 11.620

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The Identify Access Management (IAM) project will establish citizen and provider portals that will verify user identities and manage user access to multiple MO HealthNet web portals and applications. MO HealthNet is working with OA-ITSD to create a state-enterprise solution.

	FTE	GR	Fed	Other	Total	Match Rate
MMIS Identity Access Management Solution	0	500,000	4,500,000	0	5,000,000	90/10
TOTAL	0	500,000	4,500,000	0	5,000,000	

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90522C**
Division: MO HealthNet Division
DI Name: MMIS Identity and Access Management Solution   **DI# 1886038**   **HB Section:**   **11.620**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
400 - Professional Services	500,000	0.0	4,500,000	0.0	0	0.0	5,000,000	0.0	0
Total EE	**500,000**	**0.0**	**4,500,000**	**0.0**	**0**	**0.0**	**5,000,000**	**0.0**	**0**
Grand Total	**500,000**	**0.0**	**4,500,000**	**0.0**	**0**	**0.0**	**5,000,000**	**0.0**	**0.0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a.   **Provide an activity measure(s) for the program.**

     Please see the Information Systems core section for performance measures.

6b.   **Provide a measure(s) of the program's quality.**

     Please see the Information Systems core section for performance measures.

6c.   **Provide a measure(s) of the program's impact.**

     Please see the Information Systems core section for performance measures.

6d.   **Provide a measure(s) of the program's efficiency.**

     Please see the Information Systems core section for performance measures.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
INFORMATION SYSTEMS								
MMIS Identity and Access Manag - 1886038								
PROFESSIONAL SERVICES	0	0.00	0	0.00	5,000,000	0.00	0	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**5,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$5,000,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$500,000**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$4,500,000**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Core - Electronic Health Records Incentives

CORE DECISION ITEM

Department: Social Services   **Budget Unit:**   90523C
Division: MO HealthNet
Core: Electronic Health Records Incentives   **HB Section:**   11.625

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Fed	Other	Total
PS	0	0	0	0	PS	0	0	0	0
EE	0	1,509,200	0	1,509,200	EE	0	0	0	0
PSD	0	8,490,800	0	8,490,800	PSD	0	0	0	0
TRF	0	0	0	0	TRF	0	0	0	0
Total	**0**	**10,000,000**	**0**	**10,000,000**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**	**0.00**	**0.00**	**0.00**	**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.					*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*				

Other Funds: N/A   Other Funds:

2. CORE DESCRIPTION

This core request is for funding of the MO HealthNet Electronic Health Record (EHR) Incentive Program, which provides incentive payments to eligible professionals and eligible hospitals that adopt, implement, upgrade, and meaningfully use certified EHR technology.

3. PROGRAM LISTING (list programs included in this core funding)

Electronic Health Records Incentives

Department: Social Services   **Budget Unit:**   **90523C**
Division: MO HealthNet
Core: Electronic Health Records Incentives   **HB Section:**   **11.625**

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr.
Appropriation (All Funds)	28,000,000	28,000,000	28,000,000	28,000,000
Less Reverted (All Funds)	0	0	0	0
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	28,000,000	28,000,000	28,000,000	28,000,000
Actual Expenditures (All Funds)	8,802,405	9,736,425	8,322,492	N/A
Unexpended (All Funds)	19,197,595	18,263,575	19,677,508	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	19,197,595	18,263,575	19,677,508	N/A
Other	0	0	0	N/A
	(1)			

Actual Expenditures (All Funds)

Year	Value
FY 2019	8,802,405
FY 2020	9,736,425
FY 2021	8,322,492

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
(1) FY19 - Reduction due to excess federal authority.

DEPARTMENT OF SOCIAL SERVICES
ELECTRONIC HLTH RECORDS INCNTV

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	1,509,200	0	1,509,200	
	PD	0.00	0	26,490,800	0	26,490,800	
	Total	**0.00**	**0**	**28,000,000**	**0**	**28,000,000**	
DEPARTMENT CORE ADJUSTMENTS							
Core Reduction 1264 7962	PD	0.00	0	(18,000,000)	0	(18,000,000)	Reduction of excess authority.
NET DEPARTMENT CHANGES		**0.00**	**0**	**(18,000,000)**	**0**	**(18,000,000)**	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	1,509,200	0	1,509,200	
	PD	0.00	0	8,490,800	0	8,490,800	
	Total	**0.00**	**0**	**10,000,000**	**0**	**10,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	1,509,200	0	1,509,200	
	PD	0.00	0	8,490,800	0	8,490,800	
	Total	**0.00**	**0**	**10,000,000**	**0**	**10,000,000**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
ELECTRONIC HLTH RECORDS INCNTV								
CORE								
EXPENSE & EQUIPMENT								
FEDERAL STIMULUS-DSS	5,718,656	0.00	1,509,200	0.00	1,509,200	0.00	0	0.00
TOTAL - EE	5,718,656	0.00	1,509,200	0.00	1,509,200	0.00	0	0.00
PROGRAM-SPECIFIC								
FEDERAL STIMULUS-DSS	2,603,836	0.00	26,490,800	0.00	8,490,800	0.00	0	0.00
TOTAL - PD	2,603,836	0.00	26,490,800	0.00	8,490,800	0.00	0	0.00
TOTAL	**8,322,492**	**0.00**	**28,000,000**	**0.00**	**10,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$8,322,492**	**0.00**	**$28,000,000**	**0.00**	**$10,000,000**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
ELECTRONIC HLTH RECORDS INCNTV								
CORE								
TRAVEL, IN-STATE	0	0.00	2,000	0.00	2,000	0.00	0	0.00
TRAVEL, OUT-OF-STATE	0	0.00	7,000	0.00	7,000	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	0	0.00	200	0.00	200	0.00	0	0.00
PROFESSIONAL SERVICES	5,718,656	0.00	1,500,000	0.00	1,500,000	0.00	0	0.00
TOTAL - EE	**5,718,656**	**0.00**	**1,509,200**	**0.00**	**1,509,200**	**0.00**	**0**	**0.00**
PROGRAM DISTRIBUTIONS	2,603,836	0.00	26,490,800	0.00	8,490,800	0.00	0	0.00
TOTAL - PD	**2,603,836**	**0.00**	**26,490,800**	**0.00**	**8,490,800**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$8,322,492**	**0.00**	**$28,000,000**	**0.00**	**$10,000,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00		0.00
FEDERAL FUNDS	$8,322,492	0.00	$28,000,000	0.00	$10,000,000	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

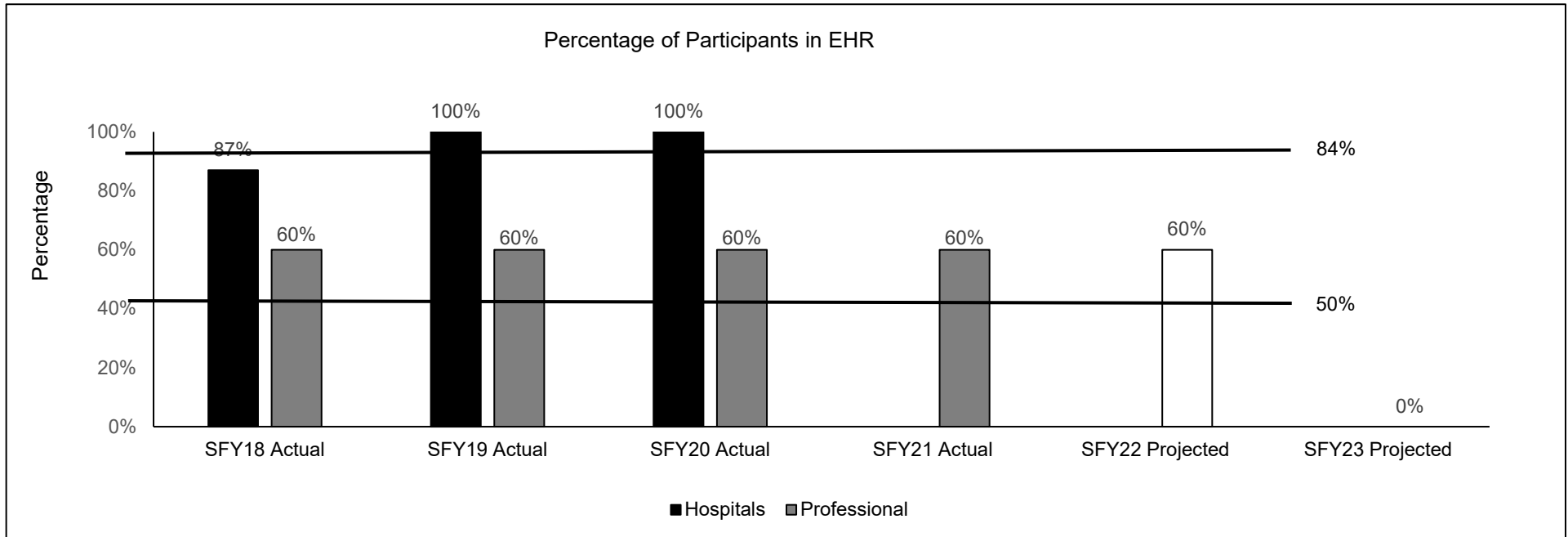**Department: Social Services**　　　　　　　　　　　　　　　　　　　　　　**HB Section(s):**　　　**11.625**
Program Name: Electronic Health Records (EHR) Incentives
Program is found in the following core budget(s): Electronic Health Records Incentives

1a. What strategic priority does this program address?

Encourage provider use of Electronic Health Records (EHR) to transform Medicaid.

1b. What does this program do?

This program provides incentives to certain Medicaid providers for the purchase and use of certified EHR systems to promote interoperability and facilitate the exchange of electronic health information. Incentive payments are intended to offset the cost of implementing EHR systems.

Payments are spread over three years for hospitals and six years for professionals, including physicians, dentists, nurse practitioners, certified nurse midwives, and physician assistants. On average, hospitals that participate all three years receive $1.5 million total, distributed in three payments with 50% paid in the first year, 35% in the second and 15% in the third. Professionals can receive up to $63,750 total, if they participate for six years, which is the maximum number of years allowed. In order to receive each additional payment, providers are required to demonstrate meaningful use (MU) of the systems by reporting on specific measures. Examples of MU include submitting data to public health registries, providing patients with electronic access to their records and secure electronic messaging, and sending a summary of care record for patients that transition to another setting.

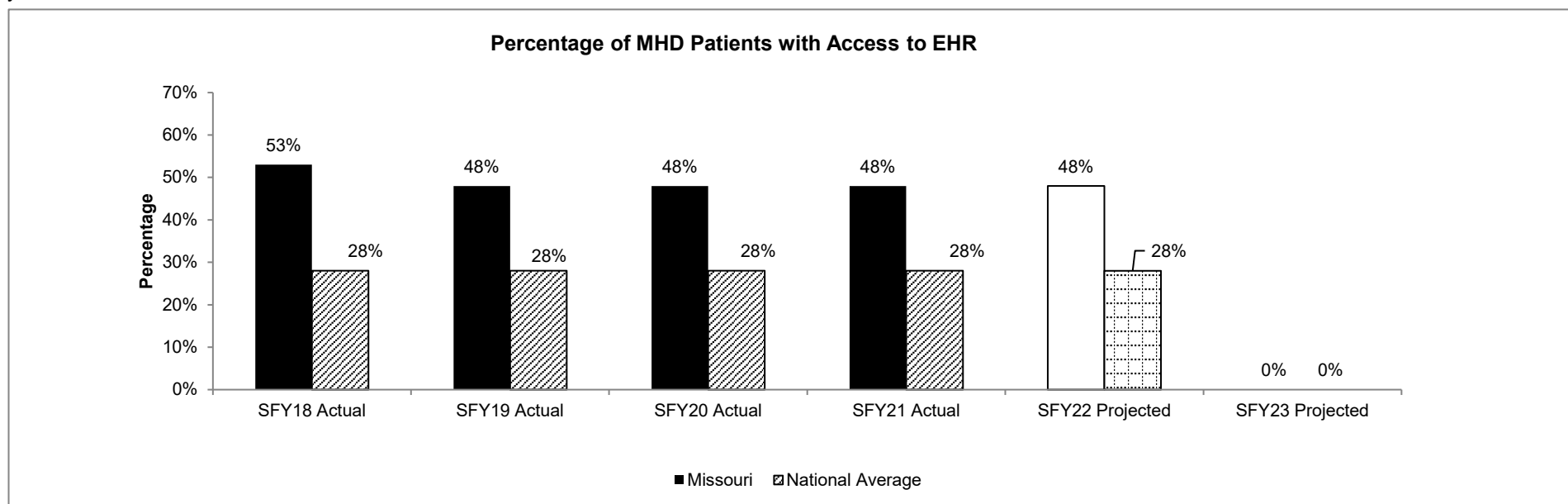**Department: Social Services**   **HB Section(s):**   **11.625**
Program Name: Electronic Health Records (EHR) Incentives
Program is found in the following core budget(s): Electronic Health Records Incentives

2a. Provide an activity measure for the program.

In SFY20, two incentive payments were made to hospitals in the amount of $166,146 and 985 incentive payments were made to professionals in the amount of $8.33 million. This was the last time payments were made to hospitals under the EHR Incentive Program.

In SFY21, 257 incentive payments were made to providers in the amount of $2.18 million. Program Year 2020 is being evaluated and payments are underway; currently, only 257 payments have been made to providers. Starting in Program Year 2019, participation in the program has declined over the years because of more stringent requirements related to Stage 3 of Meaningful Use. It is anticipated that no more than 200 providers will successfully complete program requirements in SFY22 (Program Years 2020 and 2021), when the program ends.

Number of EHR Payments Made

	SFY18 Actual	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected
Hospitals	30	7	2	0	0	0
Professionals	2,262	1,344	985	257	200	0

Note: Participation in the program has and will continue to decline due to the program winding down in September 2021, increased difficulty of requirements, and pressures on healthcare staff and resources due to COVID-19. Starting in SFY21, hospitals are no longer included in the program. No SFY23 projections provided as program ends September 2021.

PROGRAM DESCRIPTION

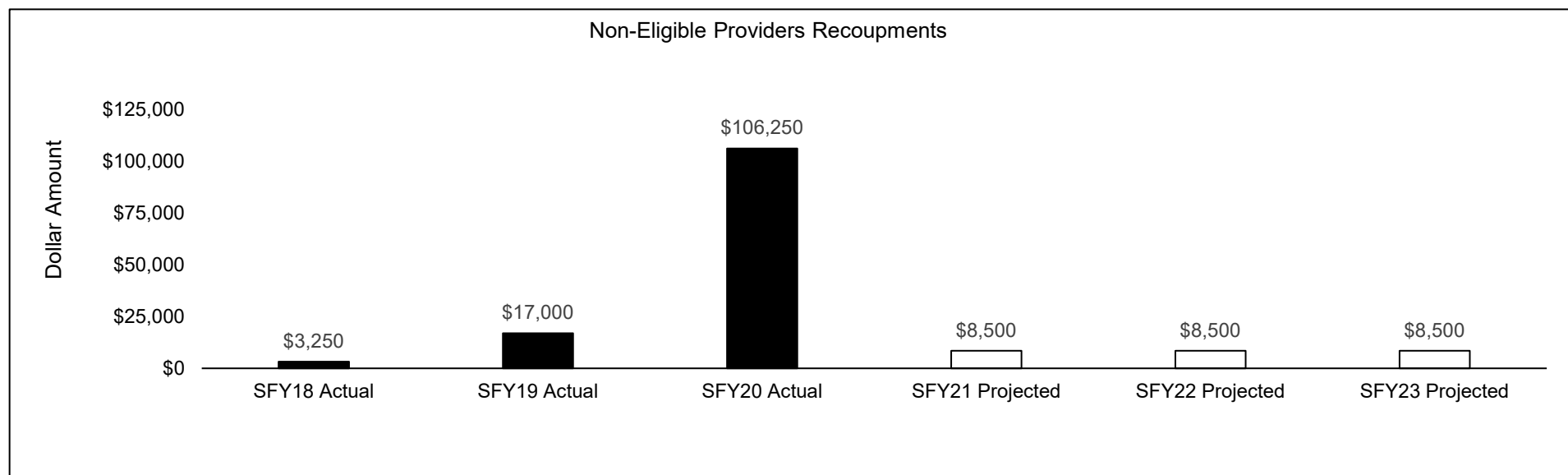**Department: Social Services**   **HB Section(s):   11.625**
Program Name: Electronic Health Records (EHR) Incentives
Program is found in the following core budget(s): Electronic Health Records Incentives

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2b. Provide a measure of the program's quality.

Among participants in the program in SFY20, 60% of eligible professionals and 100% of eligible hospitals that participated in the program have met meaningful use (MU) requirements. The national average for professionals is 50%, the national average for hospitals is 84%. Note: SFY19 and SFY20 had low participation among hospitals so the percentages shown represent small numbers.

Percentage of Participants in EHR

Starting in SFY21, hospitals are no longer included in the program. No SFY23 projections provided as program ends September 2021.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.625**
Program Name: Electronic Health Records (EHR) Incentives
Program is found in the following core budget(s): Electronic Health Records Incentives

2c. Provide a measure of the program's impact.

Compared to other states, a recent analysis prepared by the Centers for Medicare & Medicaid Services (CMS) shows that Missouri has a higher ratio of beneficiaries to the Health Information Technology for Economic and Clinical Health Act (HITECH) participants, Title XIII and Title IV of Section 4201 of the American Recovery and Reinvestment Act of 2009 (ARRA)), which translates to greater access to practices using EHR systems. On average, in Missouri, each practice that uses certified EHRs to improve care is available to 48% of Missouri Medicaid patients, compared to the national average of only 28% of patients per practice with an EHR system.

Percentage of MHD Patients with Access to EHR

	SFY18 Actual	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected
Missouri	53%	48%	48%	48%	48%	0%
National Average	28%	28%	28%	28%	28%	0%

■ Missouri ▨ National Average

No SFY23 projections provided as program ends September 2021.

PROGRAM DESCRIPTION

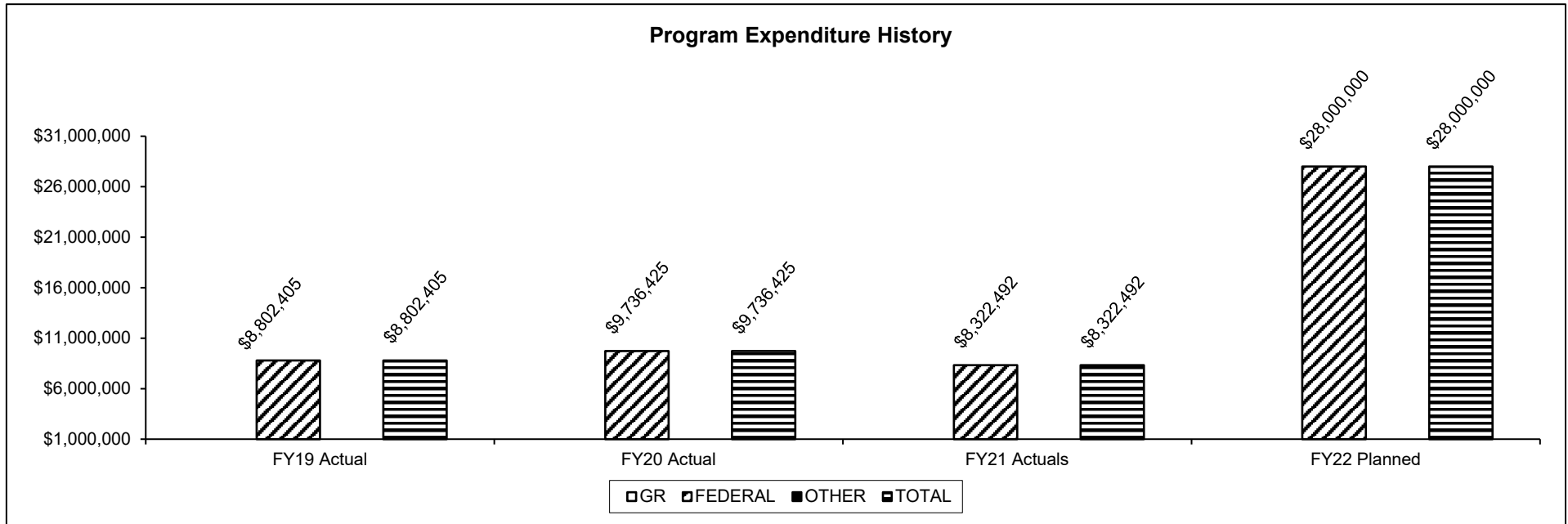**Department: Social Services**   **HB Section(s):**   **11.625**
Program Name: Electronic Health Records (EHR) Incentives
Program is found in the following core budget(s): Electronic Health Records Incentives

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2d.   Provide a measure of the program's efficiency.

On average, for the first six program years, post payment audits have identified two professionals per year that did not qualify for the program (actual counts ranged from 1 – 6). This demonstrates that pre-payment validation processes are effective and payments to providers not eligible occur in less than 1% of applications. To date, payments for all providers identified as ineligible were subsequently recouped. Post payment reviews often lag behind program year payments by 2-3 years, and recoupments collected in a particular year are associated with prior years. Post-payment audits are conducted by an external auditor and approved by MHD and MMAC leaders. In SFY19, two recoupments totaling $17,000 were recommended and approved. In SFY20, three program years were audited, with negative findings for providers issued for two program years. The EHR Incentive Program payments range from $21,250 in Year One to $8,500 in Years Two through Six. During SFY20, one Year One payment was recouped at $21,250 and ten providers at $85,000 were recouped, for a total of $106,250. It is important to note that 520 providers were audited during SFY20, with only 11 providers in two program years receiving negative findings. Only a 160 providers are scheduled for audit during SFY21, therefore, the projected recouped amount is lower, at $8,500, which is the equivalent of one program year payment. However, as of July 2021, recoupments have not been completed in part due to the COVID-19 public health emergency. Only 40 providers are scheduled for audit during Program Years 2020 and 2021, for a total of 80 providers.

Non-Eligible Providers Recoupments (bar chart): SFY18 Actual $3,250; SFY19 Actual $17,000; SFY20 Actual $106,250; SFY21 Projected $8,500; SFY22 Projected $8,500; SFY23 Projected $8,500. Y-axis labeled "Dollar Amount" ranging $0 to $125,000.

Due to lower participation in the EHR Incentive Program in its latter years, lower recoupments are predicted. SFY23 projections are possible for this item since post-payment audits will continue into SFY23.

SFY21 actuals will be available January 2022.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.625**
Program Name: Electronic Health Records (EHR) Incentives
Program is found in the following core budget(s): Electronic Health Records Incentives

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3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	FY19 Actual	FY20 Actual	FY21 Actuals	FY22 Planned
FEDERAL	$8,802,405	$9,736,425	$8,322,492	$28,000,000
TOTAL	$8,802,405	$9,736,425	$8,322,492	$28,000,000

□GR ▨FEDERAL ▬OTHER ▭TOTAL

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4. What are the sources of the "Other " funds?

N/A

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Federal law: ARRA Section 4201. Federal Regulation: 42 CFR Parts 412, 413, 422 and 495.

6. Are there federal matching requirements? If yes, please explain.

Administrative costs earn 90% federal match and require a 10% state match.

7. Is this a federally mandated program? If yes, please explain.

No.

Core - Hospital Information Technology (HIT)

CORE DECISION ITEM

Department: Social Services   **Budget Unit:**   90521C
Division: MO HealthNet
Core: Hospital Information Technology (HIT)   **HB Section:**   11.630

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0	**PS**	0	0	0	0
EE	0	0	0	0	**EE**	0	0	0	0
PSD	0	9,000,000	1,000,000	10,000,000	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**0**	**9,000,000**	**1,000,000**	**10,000,000**	**Total**	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00	**FTE**	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*	***Est. Fringe***	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance (0142) - $1,000,000   Other Funds:

2. CORE DESCRIPTION

This program reimburses the allowable costs of health information technology investments of hospitals and their affiliated information networks, or health information technology providers that have been authorized under a CMS-approved implementation advance planning document amendment submitted by the MO HealthNet Division.

3. PROGRAM LISTING (list programs included in this core funding)

Hospital Information Technology (HIT)

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Hospital Information Technology (HIT)

Budget Unit: 90521C

HB Section: 11.630

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr.
Appropriation (All Funds)	0	10,000,000	10,000,000	10,000,000
Less Reverted (All Funds)	0	0	0	0
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	0	10,000,000	10,000,000	10,000,000
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	10,000,000	10,000,000	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	9,000,000	9,000,000	N/A
Other	0	1,000,000	1,000,000	N/A

Actual Expenditures (All Funds)

Chart showing values of 0 for FY 2019, FY 2020, and FY 2021, with a y-axis ranging from 0 to 10,000,000.

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

114

DEPARTMENT OF SOCIAL SERVICES
HOSPITAL HIT

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	9,000,000	1,000,000	10,000,000	
	Total	**0.00**	**0**	**9,000,000**	**1,000,000**	**10,000,000**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	9,000,000	1,000,000	10,000,000	
	Total	**0.00**	**0**	**9,000,000**	**1,000,000**	**10,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	9,000,000	1,000,000	10,000,000	
	Total	**0.00**	**0**	**9,000,000**	**1,000,000**	**10,000,000**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
HOSPITAL HIT								
CORE								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	9,000,000	0.00	9,000,000	0.00	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	1,000,000	0.00	1,000,000	0.00	0	0.00
TOTAL - PD	0	0.00	10,000,000	0.00	10,000,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**10,000,000**	**0.00**	**10,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$10,000,000**	**0.00**	**$10,000,000**	**0.00**	**$0**	**0.00**

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Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
HOSPITAL HIT								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	10,000,000	0.00	10,000,000	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**10,000,000**	**0.00**	**10,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$10,000,000**	**0.00**	**$10,000,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00		0.00
FEDERAL FUNDS	$0	0.00	$9,000,000	0.00	$9,000,000	0.00		0.00
OTHER FUNDS	$0	0.00	$1,000,000	0.00	$1,000,000	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.630**
Program Name: Hospital Information Technology (HIT)
Program is found in the following core budget(s): Hospital Information Technology (HIT)

1a. What strategic priority does this program address?

Reimbursement for Health Information Technology Investments

1b. What does this program do?

This program reimburses the allowable costs of health information technology investments of hospitals and their affiliated information networks, or health information technology providers that have been authorized under a CMS-approved implementation advance planning document amendment submitted by the MO HealthNet Division.

2a.   Provide an activity measure(s) for the program.

Missouri Hospital Association (MHA) will measure and report project measures of Admission Discharge Transfer (ADT) Connectivity, Message Volume and Patient Watchlist Activity as follows:

- Connectivity measures will include the number of ADT connected hospitals and new syndromic connections in production (connected, tested and routinely submitting ADT data), testing (connected and undergoing ADT stream testing/validation) and targeted for onboarding in the next 30 days (not yet connected).
- Message Volume measures will include total and average daily volume of messages processed by the submitting hospital or system
- Patient Watchlist Activity measures will include total active patient watchlists as well as number of patient watchlists added, updated and deleted in the last 30 days by the submitting hospital or system

2b. Provide a measure(s) of the program's quality.

Project quality measures will include the total and percentage of system availability, excluding planned maintenance during the last 30 days, as well as the volume of system support incidents, both overall and by type (inbound message processing, notification timeliness, portal outage, etc.)

2c.   Provide a measure(s) of the program's impact.

MHA will tabulate and report the number of unique patients identified across active patient watchlists, and 30-day ADT alert volumes associated with active patient watchlists. Additionally, MHA will work with system users to define, measure and evaluate the impact on select patient outcome measures (i.e. Emergency Department (ED) utilization volumes, 30-day readmissions) for select patient cohorts of interest.

2d.   Provide a measure(s) of the program's efficiency.

MHA will track and report the minimum, median and maximum time in minutes, from inbound ADT message receipt to ADT notification content transmission to the Hospital Industry Data Institute (HIDI) Notification Portal during the past 30 days.
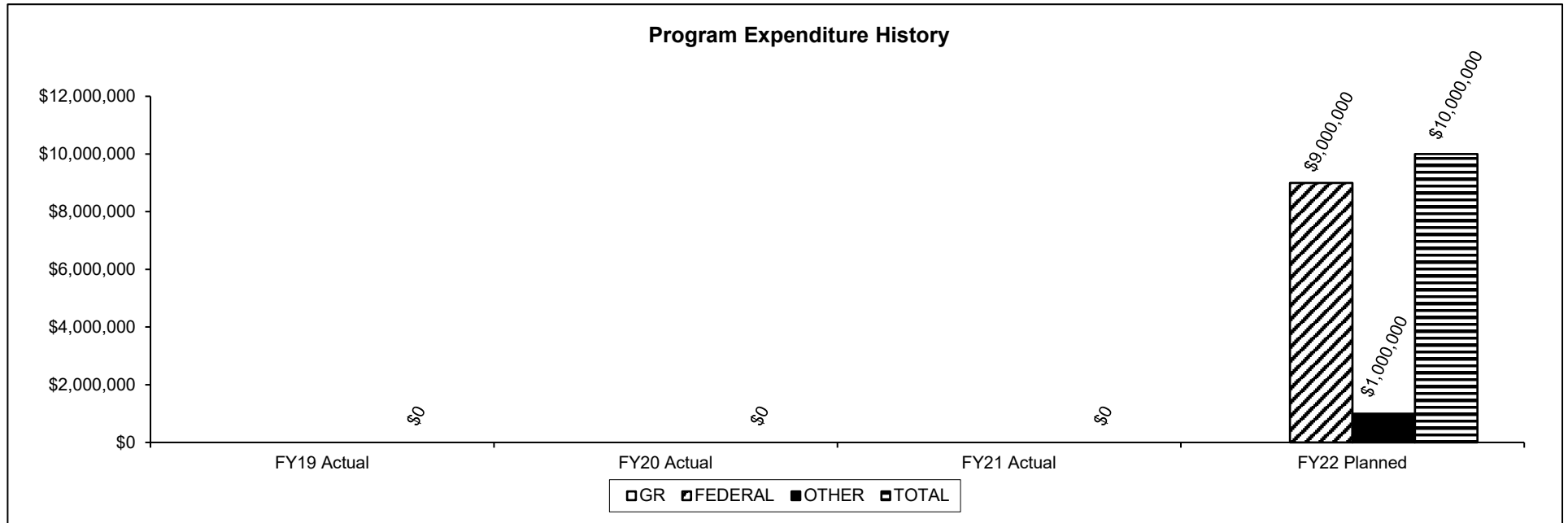
Department: Social Services   HB Section(s):   11.630
Program Name: Hospital Information Technology (HIT)
Program is found in the following core budget(s): Hospital Information Technology (HIT)

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3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Planned
GR				
FEDERAL	$0	$0	$0	$9,000,000
OTHER				$1,000,000
TOTAL				$10,000,000

☐GR ☑FEDERAL ■OTHER ☐TOTAL

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4. What are the sources of the "Other " funds?

Federal Reimbursement Allowance Fund (0142)

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

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6. Are there federal matching requirements? If yes, please explain.

Expenditures earn a 90% federal and require a 10% state match.

---

7. Is this a federally mandated program? If yes, please explain.

No.

Core - HITECH

CORE DECISION ITEM

Department: Social Services   **Budget Unit:**   **90530C**
Division: MO HealthNet
Core: HITECH   **HB Section:**   **11.635**

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	PS	0	0	0	0
EE	0	0	0	0	EE	0	0	0	0
PSD	1,000,000	9,000,000	0	10,000,000	PSD	0	0	0	0
TRF	0	0	0	0	TRF	0	0	0	0
Total	**1,000,000**	**9,000,000**	**0**	**10,000,000**	**Total**	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00	FTE	0.00	0.00	0.00	0.00

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.					*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*				

Other Funds: N/A   Other Funds:

2. CORE DESCRIPTION

The Health Information Technology for Economic and Clinical Health Act (HITECH) is for expenditures related to connecting eligible Medicaid providers under the Medicaid Electronic Health Record (EHR) Incentive Program to other MO HealthNet providers through a health information exchange (HIE) or other interoperable system, or the costs of other activities that promote providers' use of EHR or HIE. House bill 11 language also requires that no single vendor can be awarded an exclusive contract to provide said services.

3. PROGRAM LISTING (list programs included in this core funding)

Health Information Technology for Economic and Clinical Health Act (HITECH)

Department: Social Services   **Budget Unit:**   **90530C**
Division: MO HealthNet
Core: HITECH   **HB Section:**   **11.635**

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr.
Appropriation (All Funds)	0	10,000,000	10,000,000	10,000,000
Less Reverted (All Funds)	0	(30,000)	(30,000)	(30,000)
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	0	9,970,000	9,970,000	9,970,000
Actual Expenditures (All Funds)	0	0	521,840	N/A
Unexpended (All Funds)	0	9,970,000	9,448,160	N/A
Unexpended, by Fund:				
General Revenue	0	970,000	448,160	N/A
Federal	0	9,000,000	9,000,000	N/A
Other	0	0	0	N/A

Actual Expenditures (All Funds)

FY 2019: 0, FY 2020: 0, FY 2021: 521,840

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

DEPARTMENT OF SOCIAL SERVICES
HITECH

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	1,000,000	9,000,000	0	10,000,000	
	Total	**0.00**	**1,000,000**	**9,000,000**	**0**	**10,000,000**	
DEPARTMENT CORE REQUEST							
	PD	0.00	1,000,000	9,000,000	0	10,000,000	
	Total	**0.00**	**1,000,000**	**9,000,000**	**0**	**10,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	1,000,000	9,000,000	0	10,000,000	
	Total	**0.00**	**1,000,000**	**9,000,000**	**0**	**10,000,000**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
HITECH								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	521,840	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	521,840	0.00	0	0.00	0	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	1,000,000	0.00	1,000,000	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	9,000,000	0.00	9,000,000	0.00	0	0.00
TOTAL - PD	0	0.00	10,000,000	0.00	10,000,000	0.00	0	0.00
TOTAL	**521,840**	**0.00**	**10,000,000**	**0.00**	**10,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$521,840**	**0.00**	**$10,000,000**	**0.00**	**$10,000,000**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
HITECH								
CORE								
PROFESSIONAL SERVICES	521,840	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	**521,840**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**
PROGRAM DISTRIBUTIONS	0	0.00	10,000,000	0.00	10,000,000	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**10,000,000**	**0.00**	**10,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$521,840**	**0.00**	**$10,000,000**	**0.00**	**$10,000,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$521,840**	**0.00**	**$1,000,000**	**0.00**	**$1,000,000**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$9,000,000**	**0.00**	**$9,000,000**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):   11.635**
Program Name: HITECH
Program is found in the following core budget(s): HITECH

1a. What strategic priority does this program address?

Connecting Electronic Health Record Providers

1b. What does this program do?

The Health Information Technology for Economic and Clinical Health Act (HITECH) is for expenditures related to connecting eligible Medicaid providers under the Medicaid Electronic Health Record (EHR) Incentive Program to other MO HealthNet providers through a health information exchange (HIE) or other interoperable system or the costs of other activities that promote providers' use of EHR or HIE. House Bill 11 language also requires that no single vendor can be awarded an exclusive contract to provide said services.

2a.   Provide an activity measure(s) for the program.

This is a new program and MHD will have updated measures once data is available. Outcome measures will include the number of eligible professionals and eligible hospitals connected through this program to a Health Information Network (HIN) and meeting stage 3 meaningful use criteria.

2b. Provide a measure(s) of the program's quality.

This is a new program and MHD will have updated measures once data is available. Outcome measures will include the number of physicians at the eligible professionals or eligible hospitals who are accessing health information through the HINs to improve the care and treatment provided to patients.

2c.   Provide a measure(s) of the program's impact.

This is a new program and MHD will have updated measures once data is available. Outcome measures will include the number of users receiving care management alerts through the HINs to support case management and coordination of care.

2d.   Provide a measure(s) of the program's efficiency.

This is a new program and MHD will have updated measures once data is available. Outcome measures will include the number of physicians at the eligible professionals or eligible hospitals who are accessing health information through the HINs.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: HITECH
Program is found in the following core budget(s): HITECH

HB Section(s):   **11.635**

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

FY19 Actual	$0
FY20 Actual	$0
FY21 Actual	$521,840
FY21 Actual	$521,840
FY22 Planned	$970,000
FY22 Planned	$9,000,000
	$9,970,000

Legend: □ GR ▨ FEDERAL ■ OTHER ▨ TOTAL

Y-axis: $0, $2,000,000, $4,000,000, $6,000,000, $8,000,000, $10,000,000, $12,000,000

Planned FY2022 expenditures are net of reverted.

4. What are the sources of the "Other" funds?

N/A

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

N/A

6. Are there federal matching requirements? If yes, please explain.

Expenditures earn a 90% federal and require a 10% federal match.

7. Is this a federally mandated program? If yes, please explain.

No.

Core - Money Follows the Person

CORE DECISION ITEM

Department: Social Services   **Budget Unit:**   **90524C**
Division: MO HealthNet
Core: Money Follows the Person   **HB Section:**   **11.640**

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	**PS**	0	0	0	0
EE	0	392,549	0	392,549	**EE**	0	0	0	0
PSD	0	140,000	0	140,000	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**0**	**532,549**	**0**	**532,549**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**	**0.00**	**0.00**	**0.00**	**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	***Est. Fringe***	*0*	*0*	*0*	*0*
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.					*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*				

Other Funds: N/A   Other Funds:

2. CORE DESCRIPTION

This budget item funds administration of the Money Follows the Person Demonstration (MFP) program which transitions individuals who are elderly, disabled, or who have developmental disabilities from nursing facilities or state-owned habilitation centers to Home and Community Based Services.

3. PROGRAM LISTING (list programs included in this core funding)

Money Follows the Person

CORE DECISION ITEM

Department: Social Services   **Budget Unit:**   **90524C**
Division: MO HealthNet
Core: Money Follows the Person   **HB Section:**   **11.640**

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr.
Appropriation (All Funds)	532,549	532,549	532,549	532,549
Less Reverted (All Funds)	0	0	0	0
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	532,549	532,549	532,549	532,549
Actual Expenditures (All Funds)	352,124	318,134	227,647	N/A
Unexpended (All Funds)	180,425	214,415	304,902	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	180,425	214,415	304,902	N/A
Other	0	0	0	N/A

Actual Expenditures (All Funds)

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

DEPARTMENT OF SOCIAL SERVICES
MONEY FOLLOWS THE PERSON GRANT

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	392,549	0	392,549	
	PD	0.00	0	140,000	0	140,000	
	Total	**0.00**	**0**	**532,549**	**0**	**532,549**	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	392,549	0	392,549	
	PD	0.00	0	140,000	0	140,000	
	Total	**0.00**	**0**	**532,549**	**0**	**532,549**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	392,549	0	392,549	
	PD	0.00	0	140,000	0	140,000	
	Total	**0.00**	**0**	**532,549**	**0**	**532,549**	

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MONEY FOLLOWS THE PERSON GRANT								
CORE								
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	129,387	0.00	392,549	0.00	392,549	0.00	0	0.00
TOTAL - EE	129,387	0.00	392,549	0.00	392,549	0.00	0	0.00
PROGRAM-SPECIFIC								
DEPT OF SOC SERV FEDERAL & OTH	98,260	0.00	140,000	0.00	140,000	0.00	0	0.00
TOTAL - PD	98,260	0.00	140,000	0.00	140,000	0.00	0	0.00
TOTAL	**227,647**	**0.00**	**532,549**	**0.00**	**532,549**	**0.00**	**0**	**0.00**
Money Follows the Person (CAA) - 1886039								
PROGRAM-SPECIFIC								
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	1,000,000	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,000,000	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$227,647**	**0.00**	**$532,549**	**0.00**	**$1,532,549**	**0.00**	**$0**	**0.00**

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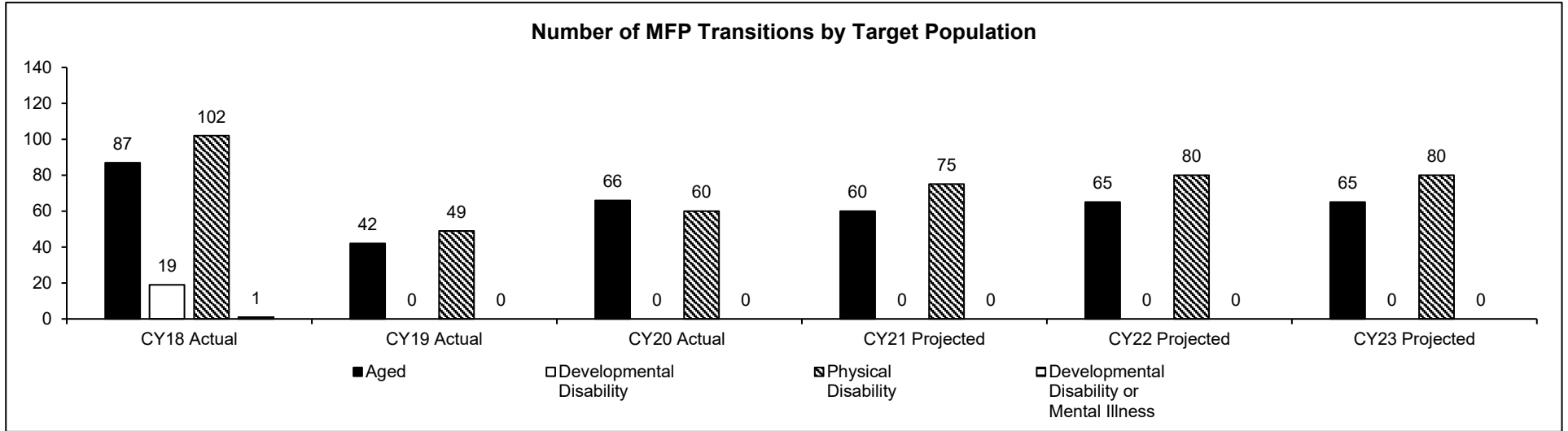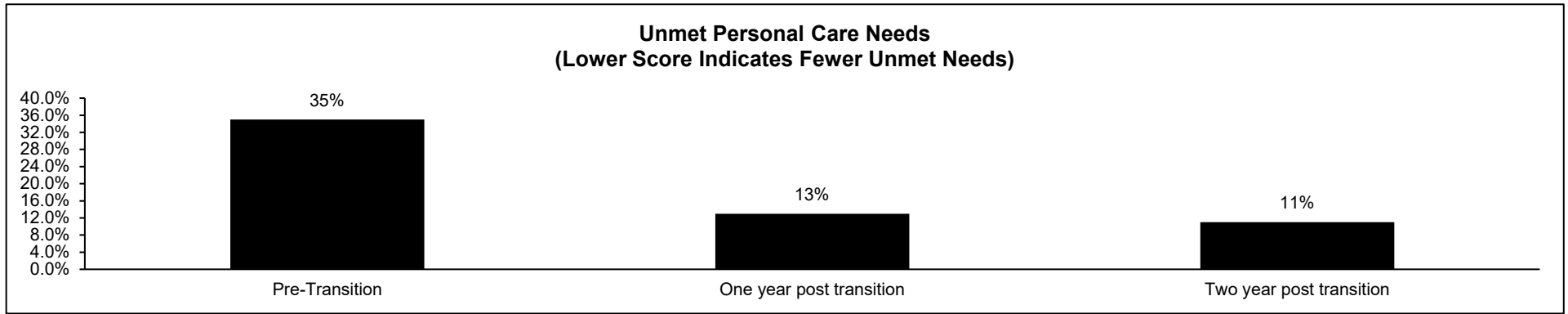| Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MONEY FOLLOWS THE PERSON GRANT								
CORE								
TRAVEL, IN-STATE	0	0.00	1	0.00	1	0.00	0	0.00
TRAVEL, OUT-OF-STATE	0	0.00	1	0.00	1	0.00	0	0.00
SUPPLIES	91	0.00	1,000	0.00	1,000	0.00	0	0.00
PROFESSIONAL DEVELOPMENT	1,313	0.00	1	0.00	1	0.00	0	0.00
PROFESSIONAL SERVICES	127,983	0.00	391,544	0.00	391,544	0.00	0	0.00
BUILDING LEASE PAYMENTS	0	0.00	1	0.00	1	0.00	0	0.00
MISCELLANEOUS EXPENSES	0	0.00	1	0.00	1	0.00	0	0.00
TOTAL - EE	**129,387**	**0.00**	**392,549**	**0.00**	**392,549**	**0.00**	**0**	**0.00**
PROGRAM DISTRIBUTIONS	98,260	0.00	140,000	0.00	140,000	0.00	0	0.00
TOTAL - PD	**98,260**	**0.00**	**140,000**	**0.00**	**140,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$227,647**	**0.00**	**$532,549**	**0.00**	**$532,549**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$227,647**	**0.00**	**$532,549**	**0.00**	**$532,549**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Department: Social Services HB Section(s): 11.640
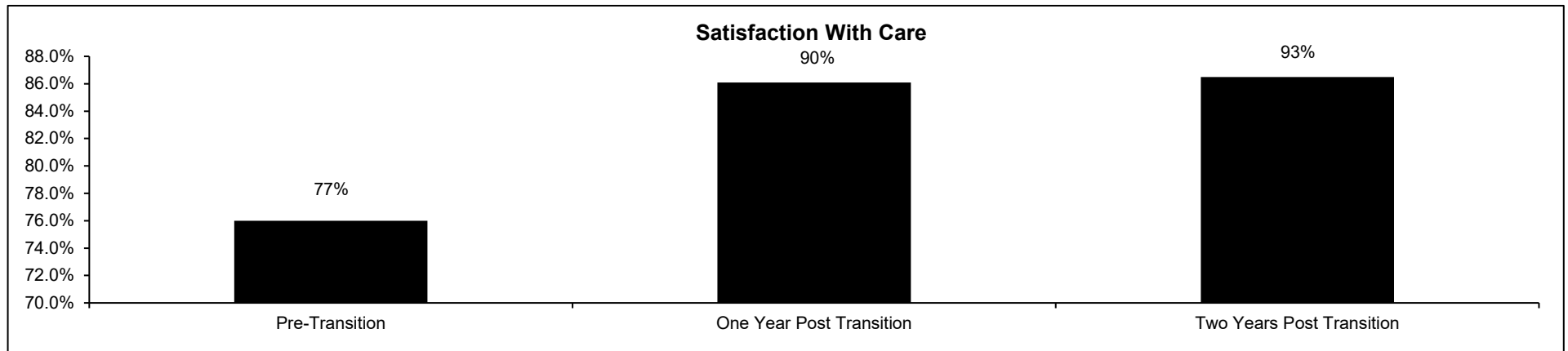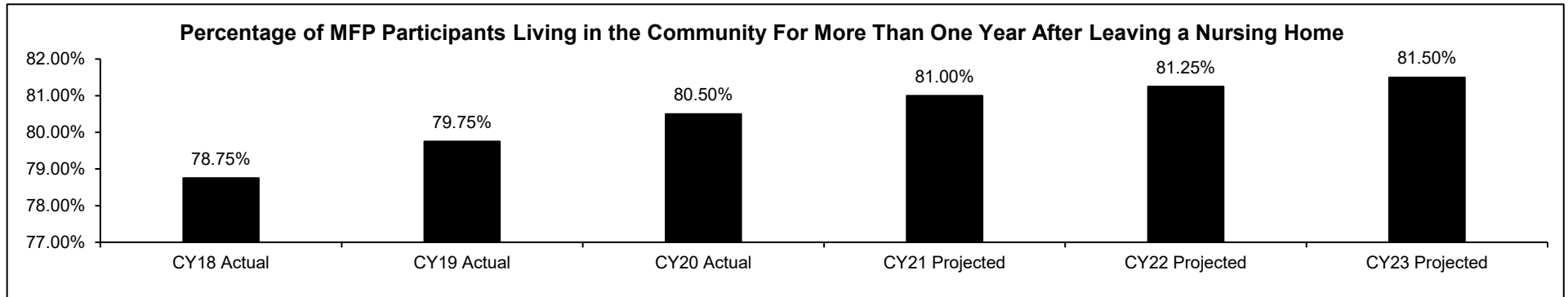**Program Name: Money Follows the Person**
Program is found in the following core budget(s): Money Follows the Person

1a. What strategic priority does this program address?

Transition from institutional care to home

1b. What does this program do?

This budget item funds administration of the Money Follows the Person Demonstration (MFP) program which transitions Medicaid eligible individuals who are elderly, disabled, or who have developmental disabilities from nursing facilities or state owned habilitation centers to Home and Community Based Services (HCBS).

Since the first transition in October 2007 through December 31, 2020, the MFP program has successfully transitioned 2,107 Medicaid eligible individuals from institutional settings to the community. MFP tracks data by the calendar year and plans to assist in the transition of an additional 135 individuals by December 31, 2021.

Once enrolled, participants reside in the MFP program for 365 community days after which they seamlessly transition to the regular HCBS programs. Eligible individuals who transition from institutionalized settings to HCBS are eligible for enhanced federal match for community services for the first year after transition. After one year, community services provided to MFP participants earn the standard FMAP rate. The federal grant also provides up to $2,400 for demonstration transition services to participants transitioning from a nursing facility, as a one-time assistance for transition costs to set up a home in the community.

The Consolidated Appropriations Act (CAA) of 2021 extended funding for the MFP program through 2023, with all funding to be expended by September of 2025. It also made two changes to expand participant eligibility that are expected to increase the number of transitions into the community:
• First, the CAA of 2021 reduced the minimum length of time in an inpatient facility before an individual can qualify for MFP from 90 days to 60 days;
• Second, the days a person receives skilled nursing services or skilled rehabilitative services in a certified skilled nursing facility now can be counted toward the length-of-stay requirement.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.640**
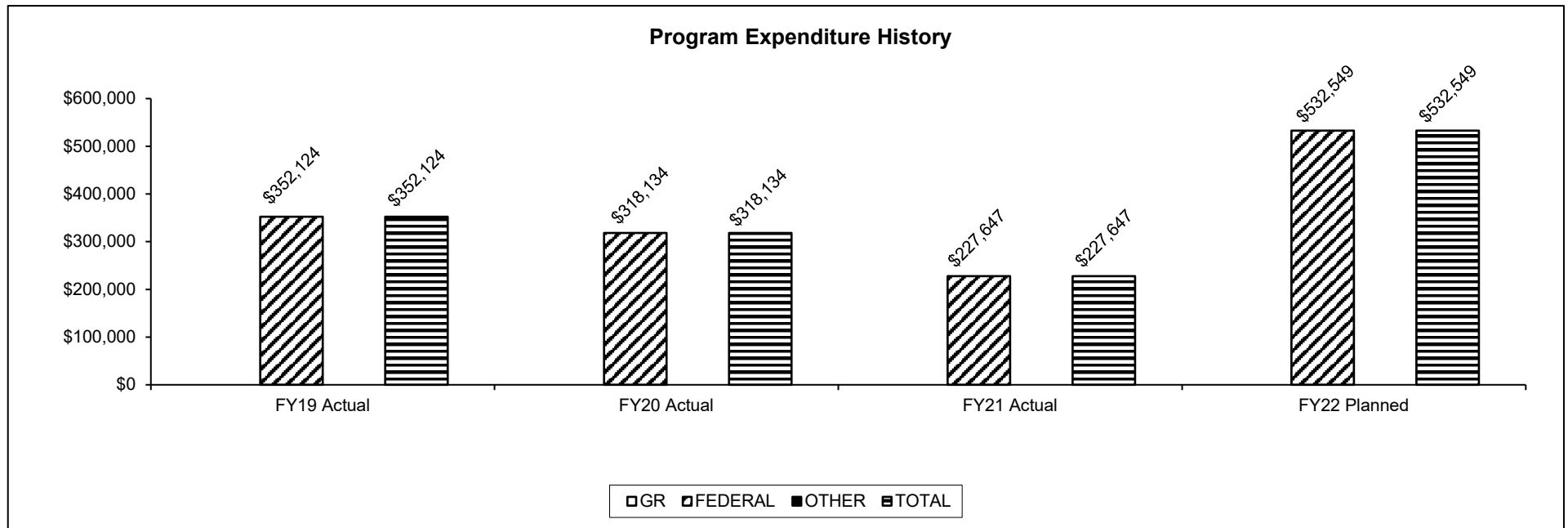**Program Name: Money Follows the Person**
Program is found in the following core budget(s): Money Follows the Person

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2a.   Provide an activity measure(s) for the program.

Number of MFP Transitions by Target Population

	CY18 Actual	CY19 Actual	CY20 Actual	CY21 Projected	CY22 Projected	CY23 Projected
Aged	87	42	66	60	65	65
Developmental Disability	19	0	0	0	0	0
Physical Disability	102	49	60	75	80	80
Developmental Disability or Mental Illness	1	0	0	0	0	0

The Consolidated Appropriations Act (CAA) of 2021 extended funding for the MFP program through CY2023, with all funding to be expended by September of 2025.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Money Follows the Person
Program is found in the following core budget(s): Money Follows the Person

HB Section(s): **11.640**

2b.	**Provide a measure(s) of the program's quality.**

Unmet Personal Care Needs
(Lower Score Indicates Fewer Unmet Needs)

- Pre-Transition: 35%
- One year post transition: 13%
- Two year post transition: 11%

Between CY07 and CY20, MFP participants were surveyed on their unmet personal care needs and overall satisfaction with care. Overall, 35 percent of participants in the sample reported having unmet personal care needs (defined as one or more unmet needs related to eating, bathing, toileting, and medication administration) while in institutional care; this declined to 13 and 11 percent one and two years later, respectively.

Satisfaction With Care

- Pre-Transition: 77%
- One Year Post Transition: 90%
- Two Years Post Transition: 93%

Between CY07 and CY20, MFP participants were surveyed on their satisfaction with care. The aspect of care showing the largest improvement was treatment with respect and dignity by providers. Pre-transition, 77 percent of participants reported being treated with respect and dignity; this increased to 90 percent one year after transition, and 93 percent after two years in the community.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.640**
Program Name: Money Follows the Person
Program is found in the following core budget(s): Money Follows the Person

2c.   Provide a measure(s) of the program's impact.

Percentage of MFP Participants Living in the Community For More Than One Year After Leaving a Nursing Home

CY18 Actual	CY19 Actual	CY20 Actual	CY21 Projected	CY22 Projected	CY23 Projected
78.75%	79.75%	80.50%	81.00%	81.25%	81.50%

By CY21, the MFP transitions that occurred in CY20 will have had the opportunity to be in the community for 365 days.

2d.   Provide a measure(s) of the program's efficiency.

Average Annual Medicaid Cost Per Participant

	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
MFP Home and Community Based Participants	$5,977	$6,096	$6,927	$6,927	$6,927	$6,927
Nursing Home Residents	$47,910	$48,011	$47,908	$47,909	$47,909	$47,909

■MFP Home and Community Based Participants   □Nursing Home Residents

*The Nursing Home Resident cost excludes the portion of costs that are the responsibility of the participant (Patient surplus).

**MFP Home and Community Based Participants are unduplicated Aged and Disabled participants.

135

PROGRAM DESCRIPTION

Department: Social Services　　　　　　　　　　　　　　　　　　　　　　　**HB Section(s):**　　**11.640**
Program Name: Money Follows the Person
Program is found in the following core budget(s): Money Follows the Person

3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Planned
FEDERAL	$352,124	$318,134	$227,647	$532,549
TOTAL	$352,124	$318,134	$227,647	$532,549

Legend: GR　FEDERAL　OTHER　TOTAL

4. What are the sources of the "Other " funds?

N/A

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Section 6071 of the Federal Deficit Reduction Act of 2005; PL 109-171, and amended by the Affordable Care Act, Section 2403.

6. Are there federal matching requirements? If yes, please explain.

No.

7. Is this a federally mandated program? If yes, please explain.

No.

NDI - Money Follows the Person Cost to Continue

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90524C**
Division: MO HealthNet Division
DI Name: Money Follows the Person CTC   **DI# 1886039**   **HB Section:**   **11.640**

1. AMOUNT OF REQUEST

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0	**PS**	0	0	0	0
EE	0	0	0	0	**EE**	0	0	0	0
PSD	0	1,000,000	0	1,000,000	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**0**	**1,000,000**	**0**	**1,000,000**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**	**0.00**	**0.00**	**0.00**	**0.00**

Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A   Other Funds:
Non-Counts: N/A   Non-Counts:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate	**X**	Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90524C**
Division: MO HealthNet Division
DI Name: Money Follows the Person CTC   **DI# 1886039**   **HB Section:**   **11.640**

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

This funding is for planning and capacity building activities to accelerate Long-Term care system transformation design and implementation, and to expand Home and Community-Based Capacity.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

This funding is for planning and capacity building activities to accelerate Long-Term care system transformation design and implementation, and to expand Home and Community-Based Capacity.

The Consolidated Appropriations Act (CAA) of 2021 extended funding for the MFP program through 2023, with all funding to be expended by September of 2025. It also made two changes to expand participant eligibility that are expected to increase the number of transitions into the community:
• First, the CAA of 2021 reduced the minimum length of time in an inpatient facility before an individual can qualify for MFP from 90 days to 60 days;
• Second, the days a person receives skilled nursing services or skilled rehabilitative services in a certified skilled nursing facility now can be counted toward the length-of-stay requirement.

The total grant award is $3,847,338; this amount is to be expended over a 5 year period. MHD is asking for $1,000,000 in on-going authority due to timing of payments within the given fiscal year.

NEW DECISION ITEM

Department: Social Services
Division: MO HealthNet Division
DI Name: Money Follows the Person CTC   **DI# 1886039**

Budget Unit: 90524C

HB Section: 11.640

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
800 - Program Distributions	0	0.0	1,000,000	0.0	0	0.0	1,000,000	0.0	0
Total PSD	**0**	**0.0**	**1,000,000**	**0.0**	**0**	**0.0**	**1,000,000**	**0.0**	**0**
Grand Total	**0**	**0.0**	**1,000,000**	**0.0**	**0**	**0.0**	**1,000,000**	**0.0**	**0.0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a.   **Provide an activity measure(s) for the program.**

Please see the Money Follows the Person core section for performance measures.

6b.   **Provide a measure(s) of the program's quality.**

Please see the Money Follows the Person core section for performance measures.

6c.   **Provide a measure(s) of the program's impact.**

Please see the Money Follows the Person core section for performance measures.

6d.   **Provide a measure(s) of the program's efficiency.**

Please see the Money Follows the Person core section for performance measures.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MONEY FOLLOWS THE PERSON GRANT								
Money Follows the Person (CAA) - 1886039								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,000,000	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**1,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,000,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$1,000,000	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Core - Pharmacy

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy

Budget Unit: 90541C

HB Section: 11.700

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	PS	0	0	0	0
EE	0	0	0	0	EE	0	0	0	0
PSD	125,793,750	901,650,626	293,387,828	1,320,832,204	PSD	0	0	0	0
TRF	0	0	0	0	TRF	0	0	0	0
Total	**125,793,750**	**901,650,626**	**293,387,828**	**1,320,832,204**	**Total**	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00	FTE	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Rebates Fund (0114) - $257,176,681
Third Party Liability Collections Fund (TPL) (0120) - $4,217,574
Pharmacy Reimbursement Allowance Fund (0144) - $24,650,223
Health Initiatives Fund (HIF) (0275) - $3,543,350
Premium Fund (0885) - $3,800,000

Other Funds:

2. CORE DESCRIPTION

This item funds the pharmacy program which is necessary to maintain pharmacy reimbursement at a sufficient level to ensure quality health care and provider participation. Funding provides pharmacy services for both managed care and fee-for-service populations. Beginning on October 1, 2009, pharmacy services were carved-out of the managed care capitation rates and the state began administering the pharmacy benefit for participants enrolled in managed care as well as participants enrolled in fee-for-service.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy

Budget Unit: 90541C

HB Section: 11.700

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr.
Appropriation (All Funds)	1,224,115,083	1,279,345,815	1,350,314,387	1,320,832,204
Less Reverted (All Funds)	0	0	0	0
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	1,224,115,083	1,279,345,815	1,350,314,387	1,320,832,204
Actual Expenditures (All Funds)	1,217,016,408	1,195,555,201	1,312,310,817	N/A
Unexpended (All Funds)	7,098,675	83,790,614	38,003,570	N/A
Unexpended, by Fund:				
General Revenue	1	6,429,087	579,211	N/A
Federal	4,332,534	73,537,503	963,681	N/A
Other	2,766,140	3,824,024	36,460,678	N/A
	(1)	(2)	(3)	

Actual Expenditures (All Funds)

- FY 2019: 1,217,016,408
- FY 2020: 1,195,555,201
- FY 2021: 1,312,310,817

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
(1) FY19 - $6,303,804 GR and $10,580,045 Fed was used as flex to cover other program expenditures. $2,717,574 was held in Agency Reserve in the Third Party Liability Fund (0120). $10,018,346 was held in Agency Reserve in the Pharmacy FRA fund (0144).
(2) FY20 - $10,800,000 was flexed in to cover program expenditures. $20,584,238 was held in Agency Reserve in the Pharmacy FRA fund (0144).
(3) FY21 - $33,308,697 GR and $44,908,816 Fed was used as flex to cover other program expenditures. $19,700,000 GR and $12,346,597 Fed was flexed in to cover program expenditures.

142

DEPARTMENT OF SOCIAL SERVICES
PHARMACY

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	125,793,750	901,650,626	293,387,828	1,320,832,204	
	Total	**0.00**	**125,793,750**	**901,650,626**	**293,387,828**	**1,320,832,204**	
DEPARTMENT CORE REQUEST							
	PD	0.00	125,793,750	901,650,626	293,387,828	1,320,832,204	
	Total	**0.00**	**125,793,750**	**901,650,626**	**293,387,828**	**1,320,832,204**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	125,793,750	901,650,626	293,387,828	1,320,832,204	
	Total	**0.00**	**125,793,750**	**901,650,626**	**293,387,828**	**1,320,832,204**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	163,924,808	0.00	125,793,750	0.00	125,793,750	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	836,882,751	0.00	901,650,626	0.00	901,650,626	0.00	0	0.00
PHARMACY REBATES	227,390,046	0.00	257,176,681	0.00	257,176,681	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	3,374,060	0.00	4,217,574	0.00	4,217,574	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	68,922,624	0.00	24,650,223	0.00	24,650,223	0.00	0	0.00
HEALTH INITIATIVES	3,460,420	0.00	3,543,350	0.00	3,543,350	0.00	0	0.00
LIFE SCIENCES RESEARCH TRUST	5,576,108	0.00	0	0.00	0	0.00	0	0.00
PREMIUM	2,780,000	0.00	3,800,000	0.00	3,800,000	0.00	0	0.00
TOTAL - PD	1,312,310,817	0.00	1,320,832,204	0.00	1,320,832,204	0.00	0	0.00
TOTAL	**1,312,310,817**	**0.00**	**1,320,832,204**	**0.00**	**1,320,832,204**	**0.00**	**0**	**0.00**
MHD CTC - 1886029								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	86,250,289	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	500,347,748	0.00	0	0.00
PHARMACY REBATES	0	0.00	0	0.00	3,658,941	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	11,081,684	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	601,338,662	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**601,338,662**	**0.00**	**0**	**0.00**
CHIP Authority CTC - 1886041								
PROGRAM-SPECIFIC								
CHILDRENS HEALTH INSURANCE	0	0.00	0	0.00	28,795,199	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	28,795,199	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**28,795,199**	**0.00**	**0**	**0.00**
Pharmacy Specialty PMPM - 1886046								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	13,066,135	0.00	0	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY								
Pharmacy Specialty PMPM - 1886046								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	25,859,489	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	38,925,624	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**38,925,624**	**0.00**	**0**	**0.00**
Pharmacy Non Specialty PMPM - 1886047								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,614,169	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	3,024,275	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,638,444	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**4,638,444**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$1,312,310,817**	**0.00**	**$1,320,832,204**	**0.00**	**$1,994,530,133**	**0.00**	**$0**	**0.00**

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90541C **BUDGET UNIT NAME: Pharmacy** **HOUSE BILL SECTION: 11.700**	**DEPARTMENT:** Social Services **DIVISION:** MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

<div align="center">

Department Request

</div>

.25% of flexibility is requested between sections 11.600 (MHD Admin), 11.620 (Information Systems), 11.700 (Pharmacy and Clawback), 11.715 (Physician Related Prof), 11.730 (Nursing Facilities and Home Health), 11.745 (Rehab Specialty Services and NEMT), 11.750 (GEMT), 11.760 (Managed Care), and 11.765 (Hospital Care).

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
$0	DSS will flex up to .25% between sections.	Up to .25% flexibility will be used.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
N/A	Flex is to be used in the Administration and Information System sections that allows MHD to pay for contractual expenditures to allow MHD to continue oversight and operation of the Medicaid program.

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90541C BUDGET UNIT NAME: Pharmacy HOUSE BILL SECTION: 11.700	DEPARTMENT: Social Services DIVISION: MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

<table>
<tr><td colspan="3" align="center">Department Request</td></tr>
<tr><td colspan="3">10% flexibility is requested between sections 11.700 (Pharmacy and Clawback), 11.715 (Physician Related Prof), 11.720 (Dental), 11.725 (Premium Payments), 11.730 (Nursing Facilities and Home Health), 11.745 (Rehab Specialty Services and NEMT), 11.755 (Complex Rehab), 11.760 (Managed Care), 11.765 (Hospital Care), 11.785 (Health Homes), 11.800 (CHIP), 11.805 (SMHB), 11.815 (Blind).</td></tr>
</table>

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
$78,217,513	DSS will flex up to 10% between sections.	Up to 10% flexibility will be used.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
To allow for program payments in Managed Care, Rehab and Specialty, Premium Payments, and Show Me Healthy Babies.	Flexibility allows for MHD to move authority between program sections to ensure bi-monthly payroll obligations are met and services continue to be provided without disruption or delay. Flex allows MHD to shift authority to sections where there is need.

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90541C **BUDGET UNIT NAME: Pharmacy** **HOUSE BILL SECTION: 11.700**	**DEPARTMENT:** Social Services **DIVISION:** MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

<div align="center">Department Request</div>

20% flexibility is requested between funds 0159 and 0163 and 0159 and 0610 in sections 11.600 (MHD Admin), 11.700 (Pharmacy), 11.715 (Physician Related Prof), 11.785 (Health Home), and 11.790 (FRA).

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
N/A	N/A	Up to 20% flexibility will be used.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
N/A	Flex is needed between federal funds due to the fluctuations between Title XIX and CHIP Medicaid populations and expenditures.

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY								
CORE								
PROGRAM DISTRIBUTIONS	1,312,310,817	0.00	1,320,832,204	0.00	1,320,832,204	0.00	0	0.00
TOTAL - PD	**1,312,310,817**	**0.00**	**1,320,832,204**	**0.00**	**1,320,832,204**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$1,312,310,817**	**0.00**	**$1,320,832,204**	**0.00**	**$1,320,832,204**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$163,924,808	0.00	$125,793,750	0.00	$125,793,750	0.00		0.00
FEDERAL FUNDS	$836,882,751	0.00	$901,650,626	0.00	$901,650,626	0.00		0.00
OTHER FUNDS	$311,503,258	0.00	$293,387,828	0.00	$293,387,828	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services   HB Section(s):   **11.700**
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

1a. What strategic priority does this program address?

Access safe and cost effective medications for MO HealthNet (MHD) participants

1b. What does this program do?

The MO HealthNet Pharmacy Program reimburses outpatient prescription drugs for managed care and fee-for-service eligible participants. The Omnibus Budget Reconciliation Act of 1990 (OBRA-90) significantly expanded the coverage of pharmacy provisions to include reimbursements for all drug products of manufacturers that have entered into a rebate agreement with the Federal Department of Health and Human Services (HHS). States have the authority to manage state specific drug purchasing and formulary decisions through Drug Utilization Review boards. MHD has a robust Drug Utilization Review process to ensure medications are clinically and fiscally appropriate. This process is ongoing as new pharmaceutical agents are approved frequently. In addition, OBRA-90 included provisions requiring both a prospective and retrospective drug use review program.

The Centers for Medicare and Medicaid Services (CMS) published a final rule on January 1, 2016, pertaining to Medicaid reimbursement for covered outpatient drugs. The purpose of the final rule is to implement changes to the prescription drug reimbursement structure as enacted by the Affordable Care Act (ACA). States are required to establish actual acquisition cost (AAC) as the basis of ingredient cost reimbursement to providers, as well as evaluate the professional dispensing fee reimbursement. With the final rule, states must also establish a payment methodology for 340B entities and 340B contract pharmacies.

Entities that are 340B covered are eligible to purchase discounted drugs through the Public Health Service Act's 340B Drug Discount program. Examples of 340B entities include federally qualified health centers, hemophilia treatment centers, disproportionate share hospitals, sole community hospitals, AIDS drug assistance programs, and family planning clinics. MHD is working collaboratively with stakeholders to encourage 340B participation by covered entities. By working with covered entities, savings from 340B pricing for MHD participants' prescriptions are shared with the Medicaid program.

Effective July 1, 2021 MHD drug reimbursement will be made by applying the following hierarchy methodology (more details on implementation dates are available below):

- National Average Drug Acquisition Cost (NADAC), plus professional dispensing fee, if there is no NADAC
- Missouri Maximum Allowed Cost (MAC), plus professional dispensing fee if no NADAC or MAC
- Wholesale Acquisition Cost (WAC), plus professional dispensing fee
- The usual and customary (U&C) charge submitted by the provider if it is lower than the chosen price (NADAC, MAC, or WAC)
  340B purchased drugs dispensed by pharmacy providers will be reimbursed at their actual acquisition cost, up to the 340B Maximum Allowable Cost (MAC) (calculated ceiling price) plus a professional dispensing fee. Covered entities are required to bill no more than their actual acquisition cost plus the professional dispensing fee

- Physician-administered drugs purchased through the 340B program will be reimbursed the lesser of the Physician-Administered 340B MAC or the actual acquisition cost submitted by the provider. A professional dispensing fee is not applied to physician-administered drugs. The Physician-Administered 340B MAC is calculated by adding 6%, up to $600, to the calculated ceiling price.

Department: Social Services   HB Section(s):   11.700
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

WAC is the manufacturer's published catalog or list price for a drug product to wholesalers; NADAC is based on CMS's monthly surveys of retail pharmacies to determine average acquisition cost for covered outpatient drugs; and MAC is the maximum reimbursement for drugs set at a state level. MHD uses its electronic tools incorporating clinical and fiscal criteria derived from best practices and evidence-based medical information to adjudicate claims through clinical and fiscal edits, preferred drug list edits, and prior authorization.

Pharmacies doing business in Missouri are also assessed a provider tax. Funds from this tax are used to provide dispensing fee payments and to support MHD pharmacy payments. See the Pharmacy Reimbursement Allowance tab for more detail.

Rebate Program

The U.S. Congress created the Medicaid outpatient prescription drug rebate program when it enacted the Omnibus Budget Reconciliation Act (OBRA) '90. The goal of the program is to reduce the cost of outpatient prescription drugs by requiring drug manufacturers to pay a rebate directly to state Medicaid programs. The purpose of the program is to reduce the cost of prescription drugs without placing an undue burden on pharmacies. The intent of this rebate is to allow state and federal governments to receive price reductions similar to those received by other high volume purchasers of drugs.

OBRA '90 requires all drug manufacturers to enter into a drug rebate agreement with CMS before their product lines will be eligible for coverage by Medicaid. Currently, approximately 700 manufacturers have signed agreements with Centers for Medicare and Medicaid Services (CMS) and participate in the Drug Rebate Program. For MHD participants, approximately 570 manufacturers have products dispensed and invoiced quarterly. Once the drug manufacturer has entered into the agreement, the state Medicaid programs are required to provide coverage of the manufacturers' drug products. However, the state has the option of excluding certain categories of the manufacturer's products or requiring prior authorization for reimbursement of products. Manufacturers are required to calculate and make rebate payments to the state Medicaid agency for the manufacturers' covered outpatient drugs reimbursed by the state during each quarter. Manufacturers are to be invoiced no later than 60 days after the end of each calendar quarter and are required to make payment for the calculated drug rebate directly to the state Medicaid program within 38 days of invoicing.

The Affordable Care Act of 2010 provided enhancements to the Federal Drug Rebate requirements. Rebates are as follows:

- 23.1% of the Average Manufacturer Price (AMP) for single-source brand-name drugs
- 13% of AMP for multi-source generic drugs
- 17% of AMP for single-source generic drugs

The manufacturer may also be required to pay an additional rebate amount, based on a calculation related to the Consumer Price Index and price increases for a drug. Approximately 35% of the total rebates collected are used as a state share funding source rather than using General Revenue funds. Based on the FMAP rate, approximately 65% of the rebates collected are returned to the federal government.

In addition to the Federal Drug Rebate Program, MO HealthNet may negotiate additional discounts in the form of Supplemental Drug Rebates. Drug manufacturers may contract to pay National Drug Code (NDC)-specific Supplemental Drug Rebates as a condition for placement on the state's Preferred Drug List (PDL). MHD invoices and collects these rebates from manufacturers, along with the federal rebates, and submits the federal portion of the rebates to CMS while retaining the state share.

Department: Social Services
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

HB Section(s):   11.700

Benefit Management and Cost Savings Tools

<u>Clinical Management Services and System for Pharmacy Claims and Prior Authorization (CMSP)</u>

Through a contract with Conduent (formerly Xerox), MHD operates an innovative electronic web-based clinical editing process for its point-of-sale pharmacy and medical claims, medical and drug prior authorization, and Drug Utilization Review (DUR) processes. The current CMSP claim processing system allows each claim to be referenced against the participant's claims history including pharmacy, medical, and procedural data (ICD-9/10 and CPT codes), providing real time data to participating MHD providers. For patients that meet approval criteria, the claim will be paid automatically. In instances when a phone call is necessary, the hotline call center is available seven days a week, which allows providers prompt access to a paid claim for the requested product or service. In addition to receiving messages regarding the outcome of the processing of claims and the amount to be reimbursed, pharmacy providers receive prospective drug use review alert messages at the time prescriptions are dispensed.

The contract with Conduent utilizes their CyberAccessSM tool to create integrated patient profiles containing prescription information, as well as patient diagnoses and procedure codes for a running 24 months of history. CyberAccessSM provides:

- Daily updated participant claims history profiles
- Identification of all drugs, procedures, related diagnoses and ordering providers from claims paid by MHD for a rolling 36 month period
- 3 years of Point of Service (POS) pharmacy claims refreshed every 10 minutes

<u>Fiscal and Clinical Edits</u>

Fiscal and Clinical Edits optimize the use of program funds and enhance patient care through improved use of pharmaceuticals. Since the implementation of the OBRA '90, education on the use of pharmaceuticals has been accomplished primarily through DUR. However, the prospective DUR alerts currently generated by the fiscal agent have been largely ignored by pharmacy providers as they are more general in nature and few are tied to claim reimbursement. Other third party payers have successfully utilized more extensive evidence based claims screening edits in an effort to control costs. These edits apply within MHD to achieve similar cost controls.

<u>Point-of-Service Pharmacy</u>

Claims are routed through Conduent's automated system to apply edits specifically designed to assure effective utilization of pharmaceuticals. The edits are founded on evidence-based clinical and nationally recognized expert consensus criteria. Claims will continue to be processed by Wipro, MHD's fiscal agent, for all other edits and final adjudication. After processing by Conduent and Wipro, the claim is sent back to the provider with a total processing time of approximately 10 seconds. Claims which are denied by the system edits will require an override from the existing help desk. Providers seeking an override must contact the help desk for approval, which will be granted if medically necessary.

PROGRAM DESCRIPTION

Department: Social Services   HB Section(s):   **11.700**
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

<u>Preferred Drug List (PDL) Edits</u>

The PDL utilizes information from various clinical sources, including the UMKC Drug Information Center (DIC), the Oregon Evidence-Based Drug Research Consortium, MHD clinical contractors, and MHD's clinical research team. Clinical information is paired with fiscal evaluation to develop a therapeutic class recommendation. The resulting PDL process incorporates clinical edits including step therapies into the prescription drug program. Clinical edits are designed to enhance patient care and optimize the use of program funds through therapeutically prudent use of pharmaceuticals. Pharmacy claims are routed through an automated computer system to apply edits specifically designed to ensure effective and appropriate drug utilization. The goal is to encourage cost effective therapy within the selected drug class.

<u>Prior Authorization</u>

Any covered outpatient drug can be subject to Prior Authorization (PA). Effective August 1, 1992, a PA process was implemented for certain specific drugs under the pharmacy program. In conjunction with MHD Advisory groups (see below), approval criteria are established with the minimum being approved FDA clinical indication. MHD may establish additional clinical and/or fiscal criteria for approval or denial. Drug PA requests are received via telephone, fax or mail. All requests for a drug PA must be initiated by a physician or authorized prescriber (advanced practice nurse) with prescribing authority for the drug category for which a PA is being requested. As specified in OBRA '90, drug PA programs must provide a response by telephone or other telecommunication device within 24 hours of receipt. All requests must include all required information. Requests received with insufficient information for review or received from someone other than a physician or authorized prescriber will not initiate a PA review nor the 24-hour response period. Drug PA requests received via telephone are keyed on-line and notification of approval will be given at the time of the call or by return fax or phone call. MHD technicians who staff this hotline work through algorithms developed by the Drug Prior Authorization Committee with the assistance of UMKC-DIC School of Pharmacy. These algorithms are sets of questions used to make a determination to approve or deny the request. Making the prior authorization determination on-line allows the PA file to be updated immediately. For approvals, the requestor will be given an authorization period. Pharmacies may record this information for this purpose as well.

<u>Drug Utilization Review</u>

This process is currently provided by Conduent and will be an extension of the current process with some enhancements. Under the new contract, this initiative will utilize the same database/computer system as the previously described components. This system uses a relational database capable of interfacing MHD paid claims history with flexible, high quality clinical evaluation criteria. The process is designed to identify high-risk drug use patterns among physicians, pharmacists, and beneficiaries, and to educate providers (prescribers and dispensers) in appropriate and cost-effective drug use. This process is capable of identifying providers prescribing and dispensing practices which deviate from defined standards, as well as generating provider profiles and ad hoc reports for specified provider and participant populations. The goal of the program is to maximize drug therapy and outcomes and optimize expenditures for health care.

PROGRAM DESCRIPTION

Department: Social Services   HB Section(s):   11.700
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

<u>Board and Committee Support and Oversight</u>

MHD operates both prospective and retrospective Drug Utilization Review (DUR) as required by federal and state law. The DUR program is focused on educating health care providers in the appropriate use of medications and informing them of potential drug therapy problems found in the review of drug and diagnostic information obtained from MHD claims history. The DUR Board is central to all DUR program activities, and its duties and membership requirements are specified in state and federal law. DUR Board members are appointed by the Governor with advice and consent of the Senate, and its 13 members include six physicians, six pharmacists, and one quality assurance nurse. In an ongoing process, the DUR Board reviews and makes changes to the clinical therapeutic criteria used to generate prospective and retrospective DUR interventions. The DUR Board also advises the division on other issues related to appropriate drug therapy and produces a quarterly newsletter for providers on selected drug topics. In addition to the Board, a Regional DUR Committee, comprised of physicians and pharmacists, evaluates individual participants' retrospective drug regimens and advises their providers on appropriate drug use or potentially problematic drug therapies. The MHD Drug Prior Authorization (PA) Committee is established in state regulation. This advisory committee is charged with reviewing drugs and recommending those drugs which are appropriate for reimbursement as a regular benefit verses those which should be placed on prior authorization status. All such recommendations made by the Drug PA Committee are referred to the DUR Board, as they are the statutorily-appointed advisory group for final recommendation to the division.

The Advisory Council on Rare Diseases and Personalized Medicine is established in state regulation. This board will serve as an expert advisory committee to the DUR board in regards to beneficiary access to drugs or biological products for rare diseases. The Advisory Council on Rare Diseases and Personalized Medicine members are appointed by the Director of the Department of Social Services, and members include 5 physicians, 2 medical researchers, 1 registered nurse, 1 pharmacist, 1 professor, 1 individual representing the rare disease community, 1 member of the rare disease foundation and 1 representative from a rare disease center within a comprehensive pediatric hospital. The DUR board shall request and consider information from the Advisory Council on Rare Diseases and Personalized Medicine when making recommendations or determinations regarding prior authorization and reauthorization criteria for rare disease drugs and other topics related to rare diseases.

PROGRAM DESCRIPTION

Department: Social Services   HB Section(s):   11.700
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

Cost Containment Initiatives

As a result of new drugs, rapidly changing prescribing patterns and increased expenditures in the MHD fee-for-service pharmacy program, MHD continues to implement a number of administrative measures to ensure the economic and efficient provision of the MHD pharmacy benefit. These strategies have been developed through recommendations from a number of sources, including affected state agencies, provider groups, and the pharmaceutical industry. The intent of these initiatives is to ensure that MHD participants get the correct drug to meet their needs, in the correct amount, and for the correct period of time. Examples of some of the cost containment initiatives, processed through clinical management, include:

- Edits - Dose Optimization: Effective for dates of service on or after April 16, 2002, claims submitted to the MO HealthNet Pharmacy Program are subject to edits to identify claims for pharmacy services that fall outside expected patterns of use for certain products. Overrides to these edit denials can be processed through the Pharmacy hotline. Justification for utilization outside expected patterns, such as Food and Drug Administration (FDA) approved labeling, is required for approval of such an override.

- Preferred Drug List (PDL): As a tool for containing costs, the PDL provides access to the most cost-effective drug therapy for specific drug categories. Preferred status on the PDL provides the state with Supplemental Rebates for selected name-brand and/or single-source drugs and lowers the net cost. See above for PDL details. MO HealthNet began the PDL in 2003.

- Diabetic Testing Supplies and Syringes: In December 2003, the MHD moved diabetic testing supplies and syringes from the Durable Medical Equipment (DME) program to the pharmacy program, and initiated a single source diabetic testing supply initiative, continuing to encourage patient blood glucose testing while minimizing state expenditures. In April 2005, the pharmacy program moved to a multi-source diabetic testing supplies initiative. Diabetic testing supply products and syringes are now available in preferred status from multiple manufacturers, providing greater participant choice and generating supplemental rebates to the state.

- Generic Incentives: Effective for dates of service January 1, 2010 and beyond, the MO HealthNet Pharmacy Program began paying pharmacy providers a generic product preferred incentive fee.   MHD is having discussions with CMS regarding the level of generic incentive allowed under the January 1, 2016 final rule.

- Expanded Missouri Maximum Allowable Cost (MAC) list: The list of drugs for which the state agency has established a generic reimbursement limit will be monitored and expanded on a regular basis. A mechanism is in place to review existing MACs as well as identify new generic drugs for addition to this list as they become available. This optimizes generic utilization in the MHD program. Effective in June of 2009, MHD updated the MAC list to include specific specialty medications.

- Active Pharmaceutical Ingredients (API) and Excipients: An API is defined by 21 C.F.R. § 207.3(a)(4) as a bulk drug substance that "is represented for use in a drug and that, when used in the manufacturing, processing, or packaging of a drug, becomes an active ingredient or a finished dosage form of the drug." An excipient is an inactive substance that forms a vehicle for the active ingredient in compounding. Effective September 1, 2017 MHD requires prior authorization (PA) on all compounded medications including an API and excipients. Requests for PA are reviewed on an individual patient basis and evaluated for medical necessity. Participant are required to use commercially available products if there are any available that are similar to the compounds being requested.

- Refill-Too-Soon: On February 21, 2018, the refill-too-soon (RTS) edit criteria went from 75% utilization to 85% utilization.

- Morphine-Milligram-Equivalent (MME): Effective May 1, 2018 the MO HealthNet Pharmacy Program implemented a MME Accumulation Clinical Edit. The edit will more accurately calculate the total MME daily dose from all concurrent opioid prescriptions for individual patients.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.700**
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

- New Drugs Review : Prior authorization is required for all new drug entities and new dosage forms, through existing drug entities that have been newly approved by the FDA and become available on the prescription drug market. First Data Bank is the publisher of proprietary pharmaceutical information and provides weekly updates to MHD covered medications, which are reviewed for medical and clinical criteria along with pharmacoeconomic impact to the pharmacy program. Program staff recommend ongoing management (i.e. continue PA, PDL addition, clinical edit, or open access) of each new drug, which goes to the MO HealthNet advisory groups for approval and implementation. The new drug review process was updated in September of 2018.
- NADAC: On December 16, 2018 MHD changed drug reimbursement to the National Average Drug Acquisition Cost (NADAC) model. The NADAC files represent a national pricing methodology based upon a simple average of retail pharmacy acquisition costs for most covered outpatient drugs.
- Non-Traditional Pain Management: In FY19 MHD implemented a non-traditional pain management program which will use alternative treatments such as chiropractic services, physical therapy and acupuncture in lieu of prescribing opioids for pain.
- Enhanced Retrospective Drug Utilization: Enhanced retrospective drug utilization involves retroactively reviewing population-based patterns of drug use, to compare those patterns to approved therapeutic guidelines in order to determine the appropriateness of care, length of treatment, drug interaction, and other clinical issues.
- Provider Audits: Daily provider audits are performed by MHD/Wipro staff for the identification and resolution of potential recoupments.
- Pharmacists as Providers: MO HealthNet has continued to enroll pharmacists as providers in order for pharmacists to administer vaccines, complete certain lab tests, and perform cognitive services. In 2020 and 2021 pharmacists were able to provide COVID vaccines and tests to aid in the response to the public health emergency
- Dispensing Fee: On February 1, 2021 MO HealthNet implemented the new professional dispensing fee of $12.22 plus an amount to offset the Medicaid portion of the pharmacy tax.
- 340B Reimbursement: On July 1, 2021 MO HealthNet revised reimbursement to 340B facilities from WAC minus 25% to 340B MAC pricing. The 340B MAC pricing is based on the ceiling prices and the greatly discounted rates providers are able to purchase these medications at compared to normal retail pharmacies.
- Project Hep Cure: On July 1, 2021 MO HealthNet implemented Project Hep Cure, aimed at curing over 6,000 Medicaid Participants on their existing Hepatitis C infection. MO HealthNet partnered with AbbVie in a modified subscription model for their drug Mavyret. The partnership allows MO HealthNet to pay a lower amount for Mavyret, and once over a threshold of participants treated, pay a nominal amount per prescription. It is our goal to eliminate Hepatitis C in Missouri and this is an important first step.

Department: Social Services   **HB Section(s):   11.700**
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

2a.   Provide an activity measure for the program.

Top 10 Products Ranked By Paid Amount of FFS Claims

Drug	4th Qtr (April, May, June) 2021			4th Qtr (April, May, June) 2020		
	Rank	Claims	Paid	Rank	Claims	Paid
ADALIMUMAB (Immunosuppressive) (Humira)	1	1,956	$ 13,927,954	3	1,600	$ 9,749,863
PALIPERIDONE PALMITATE (Antipsychotic)	2	4,912	$ 13,359,448	1	6,440	$ 12,301,543
LURASIDONE HCL (Antipsychotic)	3	8,612	$ 10,481,343	2	10,894	$ 9,760,517
METHYLPHENIDATE HCL (Stimulant)(Ritalin)	4	31,765	$ 8,479,013	4	27,793	$ 7,640,061
INSULIN ASPART (Diabetes)	5	10,641	$ 7,266,774	6	13,503	$ 6,741,216
INSULIN GLARGINE,HUMAN RECOMBINANT ANALOG (Diabetes)	6	14,989	$ 6,959,415	5	20,095	$ 6,791,262
ALBUTEROL SULFATE (Bronchodilator, Asthma)	7	90,698	$ 6,601,319	8	96,120	$ 5,921,652
TRIKAFTA(Cystic Fibrosis)	8	319	$ 6,474,480	9	272	$ 5,581,999
BUDESONIDE/FORMOTEROL FUMARATE(Asthma/COPD)	9	16,718	$ 6,057,272	10	21,654	$ 5,476,605
SOMATROPIN (Growth Hormone)	10	1,344	$ 5,834,012	7	1,447	$ 6,654,002
TOTAL			**$ 85,441,029**			**$ 76,618,720**

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.700**
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

Average Monthly Number of Pharmacy Users

SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
264,162	246,377	254,431	262,827	262,827	262,827

*FY20 number of Pharmacy users was lower due to COVID-19

Total Number of Pharmacy Claims per Year

(in millions)

SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
11.7	11.2	11.7	11.45	11.45	11.45

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

HB Section(s):   **11.700**

2b. Provide a measure of the program's quality.

Point of Sale (POS) Edit Savings

Year	Value
SFY19 Actual	$150,135,476
SFY20 Actual	$191,860,807
SFY21 Actual	$213,562,532
SFY22 Projected (Base)	$215,698,157
SFY22 Projected (Stretch)	$222,190,458
SFY23 Projected (Base)	$217,855,139
SFY23 Projected (Stretch)	$226,634,267
SFY24 Projected (Base)	$220,033,690
SFY24 Projected (Stretch)	$231,166,953

■Actual □Base ▤Stretch

Savings from denied pharmacy claims as a result of SmartPA edits.

PROGRAM DESCRIPTION
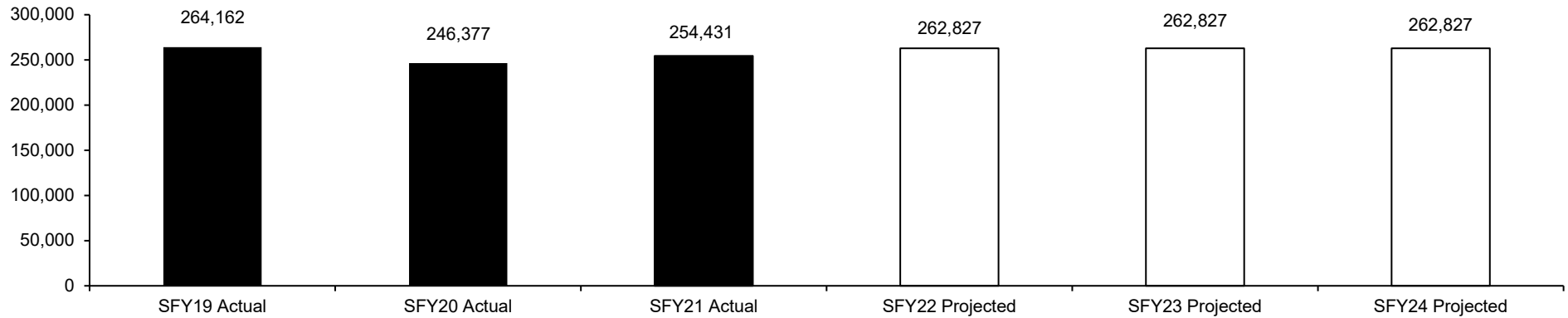
Department: Social Services   **HB Section(s):**   **11.700**
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

2c. Provide a measure of the program's impact.

PMPM By Large Eligibility Group Pharmacy Expenditures

Legend: ■PTD ▤Eldery ▨Other(custodial parents, pregnant women, children)

Values by year:
- SFY19 Actual: $402, $47, $343
- SFY20 Actual: $396, $48, $353
- SFY21 Actual: $376, $47, $321
- SFY22 Projected: $377, $48, $322
- SFY23 Projected: $379, $50, $324
- SFY24 Projected: $382, $53, $327

2d. Provide a measure of the program's efficiency.

Rebate Collections as a Percentage of Total Rebates Invoiced

98.15 % benchmark

Values by year:
- SFY19 Actual: 97.73%
- SFY20 Actual: 97.35%
- SFY21 Acutal: 99.36%
- SFY22 Projected: Base 99.51%, Stretch 99.58%
- SYF23 Projected: Base 99.51%, Stretch 99.58%
- SFY24 Projected: Base 99.51%, Stretch 99.58%

Legend: ■Actual □Base ▤Stretch

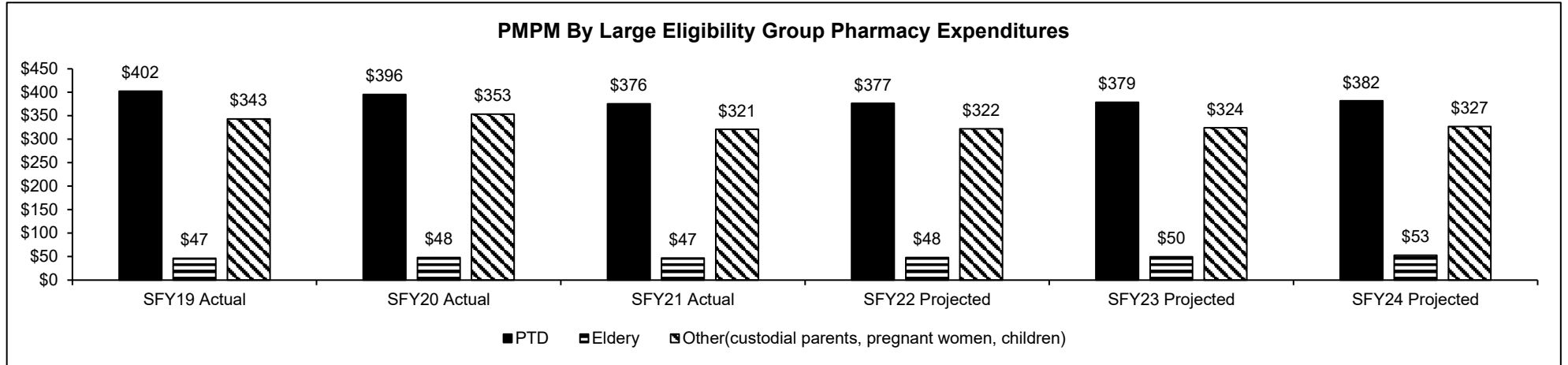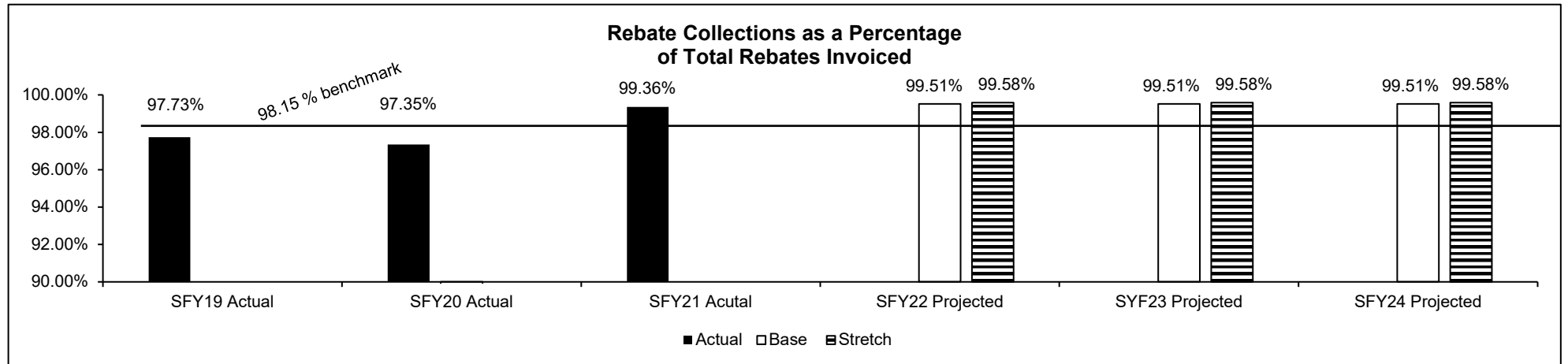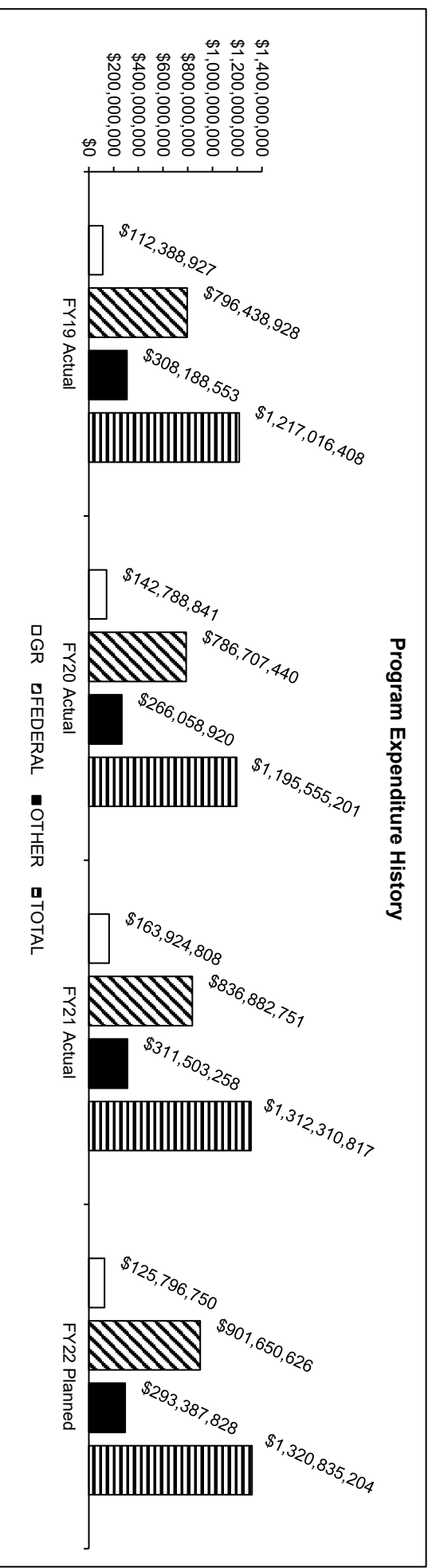As measured June 1 of each fiscal year. The benchmark is set at 98.15%, and is the average of SFY19 thru SFY21.

Department: Social Services

Program Name: Pharmacy

Program is found in the following core budget(s): Pharmacy

3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

FY19 Actual:
- $112,388,927
- $796,438,928
- $308,188,553
- $1,217,016,408

FY20 Actual:
- $142,788,841
- $786,707,440
- $266,058,920
- $1,195,555,201

FY21 Actual:
- $163,924,808
- $836,882,751
- $311,503,258
- $1,312,310,817

FY22 Planned:
- $125,796,750
- $901,650,626
- $293,387,828
- $1,320,835,204

Legend: ☐ GR   ▨ FEDERAL   ■ OTHER   ☐ TOTAL

Y-axis: $0, $200,000,000, $400,000,000, $600,000,000, $800,000,000, $1,000,000,000, $1,200,000,000, $1,400,000,000

4. What are the sources of the "Other" funds?

Pharmacy Reimbursement Allowance Fund (0144), Pharmacy Rebates Fund (0114), Health Initiatives Fund (0275), Third Party Liability Fund (0120), Premium Fund (0885), and Life Sciences Research Trust Fund (0763).

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri Statute: Sections 208.152 and 208.166, RSMo. Federal law: Social Security Act Section 1902(a)(12). State regulation: 13 CSR 70-20. Federal regulation: 42 CFR 440.120.

6. Are there federal matching requirements? If yes, please explain.

The FMAP (Federal Medical Assistance Percentage) fluctuates annually based on state and national economic and population data, but generally the state matching requirement is around 35% and the federal match is around 65%.

7. Is this a federally mandated program? If yes, please explain.

Yes, pharmacy services are mandatory for children if identified as medically necessary health services under the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) program. This program is not federally mandated for adults.

NDI - Pharmacy PMPM Increase Specialty

NEW DECISION ITEM

Department: Social Services		Budget Unit:	90541C
Division: MO HealthNet Division			
DI Name: Pharmacy Specialty PMPM	DI# 1886046	HB Section:	11.700

1. AMOUNT OF REQUEST

	FY 2023 Budget Request						FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**			**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0		**PS**	0	0	0	0
EE	0	0	0	0		**EE**	0	0	0	0
PSD	13,066,135	25,859,489	0	38,925,624		**PSD**	0	0	0	0
TRF	0	0	0	0		**TRF**	0	0	0	0
Total	**13,066,135**	**25,859,489**	**0**	**38,925,624**		**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**		**FTE**	**0.00**	**0.00**	**0.00**	**0.00**

| *Est. Fringe* | *0* | *0* | *0* | *0* | | *Est. Fringe* | *0* | *0* | *0* | *0* |

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A

Non-Counts: N/A

Other Funds:

Non-Counts:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program			Fund Switch
	Federal Mandate		Program Expansion			Cost to Continue
	GR Pick-Up		Space Request			Equipment Replacement
	Pay Plan	X	Other:	Inflation/Utilization		

NEW DECISION ITEM

Department: Social Services
Division: MO HealthNet Division
DI Name: Pharmacy Specialty PMPM   **DI# 1886046**

Budget Unit: **90541C**

HB Section: **11.700**

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

Funds are needed to address the anticipated increases in the pharmacy program due to new drugs, therapies, and inflation.

This decision item requests funding for the ongoing inflation of pharmaceuticals and the anticipated increase in pharmacy expenditures attributed to specialty drugs. Specialty drugs account for the majority of the projected increase in pharmacy expenditures.

State statute: Section 208.201, RSMo. Federal Law: Social Security Act Section 1902(a)(4). Federal Regulations: 42 CFR, Part 432.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

MHD utilized the Mercer Trend Report in support of the decision item.

Specialty drugs, which account for the majority of the projected increase in pharmacy expenditures, treat complex chronic and/or life threatening conditions. Drugs are considered specialty drugs within MHD if the prescription cost is $600 or more. Specialty drugs are often the first effective treatment of a condition. Many specialty products face little market competition and target a small patient population, which results in a high cost per unit. Most specialty products are complex "biologics" and are not easily copied; making introduction of generics a long, slow process. Typically, specialty drugs require special storage, handling, and administration. They may also require detailed patient instructions and adherence monitoring by qualified healthcare providers. Additionally, there is generally pent up demand for a new specialty drug, making the first few years of use very expensive.

Upcoming drugs that are anticipated to cost more than $200,000 per patient per year are generally concentrated in the rare disease and oncology categories. One exception is Teplizumab, a monoclonal antibody that is being developed to prevent or delay the onset of type 1 diabetes.

Mercer indicates that overall annual spending on drugs is forecasted to increase 5% to 7% between CY 2020 and CY 2021 and increase 6% to 8% between CY 2021 and CY 2022. MHD expended 59.0% of all pharmacy costs on specialty drugs in FY19, 61.0% in FY20, 63.0% in FY21 but is expected to grow to in FY22. The difference in the specialty rates between MHD and the commercial market is due to the MHD caseload mix.

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90541C**
Division: MO HealthNet Division
DI Name: Pharmacy Specialty PMPM   **DI# 1886046**   **HB Section:**   **11.700**

	OAA Specialty	PTD Specialty	Others Specialty	Total
FY21 PMPM	$344.67	$630.35	$61.52	
Specialty Rate	63.00%	63.00%	63.00%	
Subtotal	$217.14	$397.12	$38.76	
FY22 PMPM Trend Rate	-13.821%	-13.821%	-13.821%	
Increase in PMPM	-$30.01	-$54.89	-$5.36	
FY22 Estimate	$187.13	$342.23	$33.40	
FY23 PMPM Trend Rate	5.400%	5.400%	5.400%	
FY23 Estimate	$10.11	$18.48	$1.80	
Members	11,215	92,423	790,248	
Monthly Cost	$113,380	$1,707,976	$1,422,446	
12 Months	12	12	12	
Yearly Cost	$1,360,560	$20,495,712	$17,069,352	$38,925,624

Less:		FMAPs		TOTAL	GR	FF
State Medical	0.2%			$70,907	$70,907	$0
1115 Waiver -Child	1.9%	76.205%		$748,258	$176,215	$572,043
Pharmacy	97.7%	66.010%		$38,057,778	$12,802,637	$25,255,141
SMHB	0.13%			$48,681	$16,376	$32,305
				$38,925,624	$13,066,135	$25,859,489

*Assumes 100% state WH

164

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   90541C
Division: MO HealthNet Division
DI Name: Pharmacy Specialty PMPM   **DI# 1886046**   **HB Section:**   11.700

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
800 - Program Distributions	13,066,135	0.0	25,859,489	0.0	0	0.0	38,925,624	0.0	0
Total PSD	**13,066,135**	**0.0**	**25,859,489**	**0.0**	**0**	**0.0**	**38,925,624**	**0.0**	**0**
Grand Total	**13,066,135**	**0.0**	**25,859,489**	**0.0**	**0**	**0.0**	**38,925,624**	**0.0**	**0.0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a.   **Provide an activity measure(s) for the program.**

Please see the Pharmacy core section for performance measures.

6b.   **Provide a measure(s) of the program's quality.**

Please see the Pharmacy core section for performance measures.

6c.   **Provide a measure(s) of the program's impact.**

Please see the Pharmacy core section for performance measures.

6d.   **Provide a measure(s) of the program's efficiency.**

Please see the Pharmacy core section for performance measures.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY								
Pharmacy Specialty PMPM - 1886046								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	38,925,624	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**38,925,624**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$38,925,624**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$13,066,135**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$25,859,489**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

NDI - Pharmacy PMPM Increase Non-Specialty

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90541C**
Division: MO HealthNet Division
DI Name: Pharmacy Non-Specialty PMPM   **DI# 1886047**   **HB Section:**   **11.700**

1. AMOUNT OF REQUEST

	FY 2023 Budget Request						FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**			**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0		**PS**	0	0	0	0
EE	0	0	0	0		**EE**	0	0	0	0
PSD	1,614,169	3,024,275	0	4,638,444		**PSD**	0	0	0	0
TRF	0	0	0	0		**TRF**	0	0	0	0
Total	**1,614,169**	**3,024,275**	**0**	**4,638,444**		**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**		**FTE**	**0.00**	**0.00**	**0.00**	**0.00**

Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A   Other Funds:
Non-Counts: N/A   Non-Counts:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	**X**	Other: Inflation/Utilization		

NEW DECISION ITEM

Department: Social Services   **Budget Unit:**   **90541C**
Division: MO HealthNet Division
DI Name: Pharmacy Non-Specialty PMPM   **DI# 1886047**   **HB Section:**   **11.700**

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

Funds are needed to address the anticipated increases in the pharmacy program due to new drugs, therapies, and inflation.

This decision item requests funding for the ongoing inflation of pharmaceuticals and the anticipated increase in pharmacy expenditures attributed to non-specialty drugs.

State statute: Section 208.201, RSMo; Federal Law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

MHD utilized the Mercer Trend Report in support of the decision item.

Non-specialty drugs are generally drugs that are not used to treat complex, chronic conditions; do not require special administration, handling, or distribution; do not require monitoring of therapy to determine effectiveness and/or side effects; or have per-member-per-month (PMPM) costs below $600.

Non-specialty drugs are expected to have modest increases over the next few years. Diabetes is a significant driver of increases in both utilization and cost.

Mercer indicates that overall annual spending on the non-specialty trend is forecasted to increase 1.0% to 2.0% between CY20 and CY21. The percent of Non-specialty in the MHD expenditure has been 44.6% for FY18, 41.0% in FY19, and 39.0% in FY20. Based on the industry source, MHD assumes no non-specialty trend in FY20, 3.96% in FY21 and 1.00% in FY22.

Specialty Drugs	
FY20 Trend	0.000%
FY21 Trend	3.960%
FY22 Trend	1.000%

NEW DECISION ITEM

Department: Social Services **Budget Unit:** **90541C**
Division: MO HealthNet Division
DI Name: Pharmacy Non-Specialty PMPM DI# 1886047 **HB Section:** **11.700**

	OAA Non Specialty	PTD Non Specialty	Others Non Specialty	Total
FY20 PMPM	$295.00	$652.77	$65.37	
Non Specialty Rate	36.58%	36.58%	36.58%	
Subtotal	$107.91	$238.78	$23.91	
FY21 PMPM Trend Rate	3.96%	3.96%	3.96%	
Increase in PMPM	$4.27	$9.45	$0.95	
FY21 Estimate	$112.18	$248.23	$24.86	
FY22 PMPM Trend Rate	1.00%	1.00%	1.00%	
FY22 Estimate	$1.12	$2.48	$0.25	
Members	12,545	86,638	630,504	
Monthly Cost	$14,050	$214,861	$157,626	
12 Months	12	12	12	
Yearly Cost	$168,600	$2,578,332	$1,891,512	$4,638,444

Pharmacy expenditures by program:	FMAP	Total	GR	FF
Blind Pension Medical	0%	$10,370	$10,370	$0
CHIP	76.205%	$94,374	$23,034	$71,340
Pharmacy	66.010%	$4,533,700	$1,580,765	$2,952,935
		$4,638,444	$1,614,169	$3,024,275

NEW DECISION ITEM

Department: Social Services   Budget Unit: 90541C
Division: MO HealthNet Division
DI Name: Pharmacy Non-Specialty PMPM   DI# 1886047   HB Section: 11.700

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
800 - Program Distributions	1,614,169	0.0	3,024,275	0.0	0	0.0	4,638,444	0.0	0
Total PSD	**1,614,169**	**0.0**	**3,024,275**	**0.0**	**0**	**0.0**	**4,638,444**	**0.0**	**0**
Grand Total	**1,614,169**	**0.0**	**3,024,275**	**0.0**	**0**	**0.0**	**4,638,444**	**0.0**	**0.0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a.   **Provide an activity measure(s) for the program.**

        Please see the Pharmacy core section for performance measures.

6b.   **Provide a measure(s) of the program's quality.**

        Please see the Pharmacy core section for performance measures.

6c.   **Provide a measure(s) of the program's impact.**

        Please see the Pharmacy core section for performance measures.

6d.   **Provide a measure(s) of the program's efficiency.**

        Please see the Pharmacy core section for performance measures.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY								
Pharmacy Non Specialty PMPM - 1886047								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,638,444	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**4,638,444**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$4,638,444**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,614,169**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$3,024,275**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Core - Pharmacy - Medicare Part D Clawback

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy Clawback

Budget Unit: **90543C**

HB Section: **11.700**

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0	**PS**	0	0	0	0
EE	0	0	0	0	**EE**	0	0	0	0
PSD	220,978,651	0	0	220,978,651	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**220,978,651**	**0**	**0**	**220,978,651**	**Total**	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00	**FTE**	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*	***Est. Fringe***	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other funds: N/A

Other funds:

2. CORE DESCRIPTION

This core request is for the continued funding of the Medicare Part D Clawback. Clawback refers to that portion of the Medicare Prescription Drug Act which requires states to pay Medicare a portion of the cost of Part D drugs attributable to what would have been paid for by the state absent the Part D drug benefit.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy Clawback

Department: Social Services
Division: MO HealthNet
Core: Pharmacy Clawback

Budget Unit: **90543C**
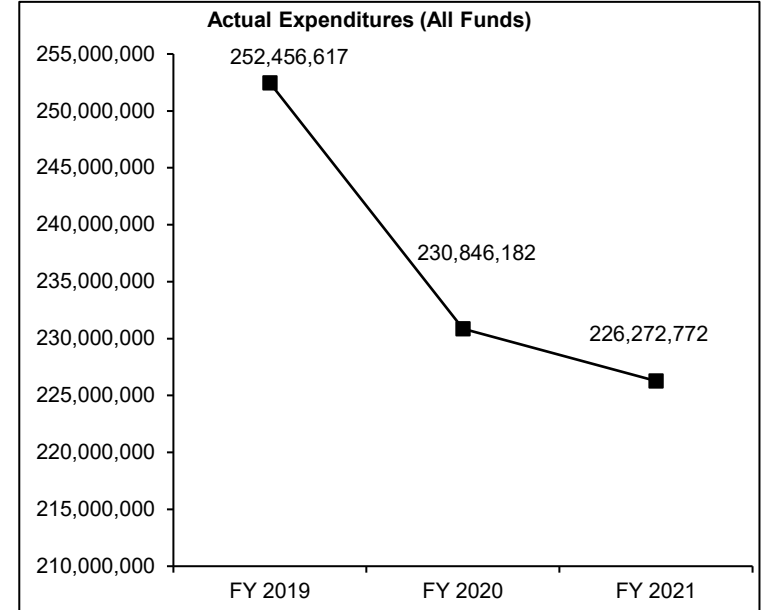
HB Section: **11.700**

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr.
Appropriation (All Funds)	252,456,617	330,978,651	226,272,772	220,978,651
Less Reverted (All Funds)	0	0	0	0
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	252,456,617	330,978,651	226,272,772	220,978,651
Actual Expenditures (All Funds)	252,456,617	230,846,182	226,272,772	N/A
Unexpended (All Funds)	0	100,132,469	0	N/A
Unexpended, by Fund:				
General Revenue	0	74,253,639	0	N/A
Federal	0	25,608,830	0	N/A
Other	0	0	0	N/A
	(1)		(2)	

Actual Expenditures (All Funds)

*Current Year restricted amount is as of 9/1/2021.

Reverted includes the statutory three-percent reserve amount (when applicable).
Restricted includes any Governor's Expenditure Restrictions which remained at the end of the fiscal year (when applicable).

NOTES:
(1) FY19 - $6,778,796 was brought in as flex
(2) FY21 - $18,391,986 was brought in as flex. $23,097,865 was used as flex to cover other program expenditures.

DEPARTMENT OF SOCIAL SERVICES
PHARMACY-MED PART D-CLAWBACK

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	220,978,651	0	0	220,978,651	
	Total	**0.00**	**220,978,651**	**0**	**0**	**220,978,651**	
DEPARTMENT CORE REQUEST							
	PD	0.00	220,978,651	0	0	220,978,651	
	Total	**0.00**	**220,978,651**	**0**	**0**	**220,978,651**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	220,978,651	0	0	220,978,651	
	Total	**0.00**	**220,978,651**	**0**	**0**	**220,978,651**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY-MED PART D-CLAWBACK								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	226,272,772	0.00	220,978,651	0.00	220,978,651	0.00	0	0.00
TOTAL - PD	226,272,772	0.00	220,978,651	0.00	220,978,651	0.00	0	0.00
TOTAL	**226,272,772**	**0.00**	**220,978,651**	**0.00**	**220,978,651**	**0.00**	**0**	**0.00**
MHD CTC - 1886029								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	30,463,990	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	30,463,990	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**30,463,990**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$226,272,772**	**0.00**	**$220,978,651**	**0.00**	**$251,442,641**	**0.00**	**$0**	**0.00**

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FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90543C	DEPARTMENT: Social Services
BUDGET UNIT NAME: Medicare Part D "Clawback"	
HOUSE BILL SECTION: 11.700	DIVISION: MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

<div align="center">

Department Request

</div>

.25% of flexibility is requested between sections 11.600 (MHD Admin), 11.620 (Information Systems), 11.700 (Pharmacy and Clawback), 11.715 (Physician Related Prof), 11.730 (Nursing Facilities and Home Health), 11.745 (Rehab Specialty Services and NEMT), 11.750 (GEMT), 11.760 (Managed Care), and 11.765 (Hospital Care).

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
$0	DSS will flex up to .25% between sections.	Up to .25% flexibility will be used.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
N/A	Flex is to be used in the Administration and Information System sections that allows MHD to pay for contractual expenditures to allow MHD to continue oversight and operation of the Medicaid program.

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90543C BUDGET UNIT NAME: Medicare Part D "Clawback" HOUSE BILL SECTION: 11.700	DEPARTMENT: Social Services DIVISION: MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

<table>
<tr><td colspan="3" align="center">Department Request</td></tr>
<tr><td colspan="3">10% flexibility is requested between sections 11.700 (Pharmacy and Clawback), 11.715 (Physician Related Prof), 11.720 (Dental), 11.725 (Premium Payments), 11.730 (Nursing Facilities and Home Health), 11.745 (Rehab Specialty Services and NEMT), 11.755 (Complex Rehab), 11.760 (Managed Care), 11.765 (Hospital Care), 11.785 (Health Homes), 11.800 (CHIP), 11.805 (SMHB), 11.815 (Blind).</td></tr>
</table>

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
$23,097,865	DSS will flex up to 10% between sections.	Up to 10% flexibility will be used.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
To allow for program payments in Managed Care and Pharmacy.	Flexibility allows for MHD to move authority between program sections to ensure bi-monthly payroll obligations are met and services continue to be provided without disruption or delay. Flex allows MHD to shift authority to sections where there is need.

Budget Unit Decision Item 　Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY-MED PART D-CLAWBACK								
CORE								
PROGRAM DISTRIBUTIONS	226,272,772	0.00	220,978,651	0.00	220,978,651	0.00	0	0.00
TOTAL - PD	**226,272,772**	**0.00**	**220,978,651**	**0.00**	**220,978,651**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$226,272,772**	**0.00**	**$220,978,651**	**0.00**	**$220,978,651**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$226,272,772	0.00	$220,978,651	0.00	$220,978,651	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.700**
Program Name: Pharmacy Clawback
Program is found in the following core budget(s): Pharmacy Clawback

1a. What strategic priority does this program address?

Access to safe and effective medications

1b. What does this program do?

The Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 required that all individuals who are eligible for both Medicare and Medicaid, also known as dual eligibles, receive their prescription drugs through the Medicare Part D program. This change resulted in a significant shift in benefits for elderly and disabled dual eligible participants because they receive their drugs through a prescription drug plan (PDP) rather than through the state's MO HealthNet program. States are required to make a monthly payment to the federal government in lieu of the money that the states would have spent on providing prescription drugs to participants in the MO HealthNet program.

The federal government refers to this payment as the Phased-Down State Contribution, also referred to as Clawback. This Clawback payment is a funding source for the Medicare Part D program.

PAYMENT METHODOLOGY

The Clawback consists of a monthly calculation based on the combination of (a) the state's per capita spending on prescription drugs in 2003, (b) the state's federal Medicaid match rate, (c) the number of dual eligibles residing in the state, and (d) a Phase-Down percentage of state savings to be returned to the federal government, which began with 90% in CY 2006 and phased down to the current floor of 75% in CY 2015. The Clawback rate for each state, as identified by the Centers for Medicare and Medicaid Services (CMS), is multiplied by the number of dual eligibles in each state in order to determine the monthly payment due. The Clawback assessment is paid one month in arrears.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.700**
Program Name: Pharmacy Clawback
Program is found in the following core budget(s): Pharmacy Clawback

Rate History

Below is a chart showing the historical rates MO HealthNet paid to the federal government. Rates are adjusted each January by CMS, and adjusted again in October to account for changes in Missouri Federal Medical Assistance Percentages (FMAP) rates. In October CMS announces rates for the following January through September time period, and announces the FMAP-adjusted rates once FMAP rates are finalized.

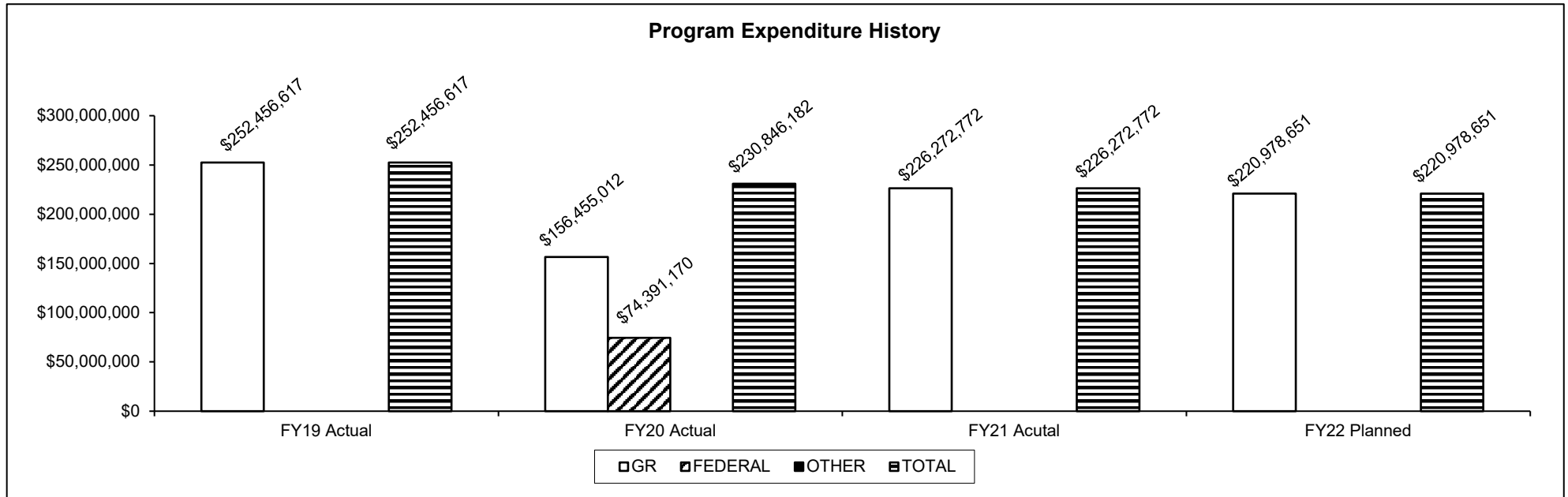|	Clawback Rate	Change	
Oct-Dec 22	$157.95	($1.09)	
Jan-Sept 22	$159.04	$31.99	Assumes the end of the PHE for quarter ending 12/31/2021
Oct-Dec 21	$127.05	$0.00	The rate was adjusted at the federal level due to Covid-19.
Jan-Sept 21	$127.05	$3.52	The rate was adjusted at the federal level due to Covid-19.
Oct-Dec 20	$123.53	$2.95	The rate was adjusted at the federal level due to Covid-19.
Jan-Sept 20	$120.58	($19.27)	The rate was adjusted at the federal level due to Covid-19.
Oct-Dec 19	$139.85	($1.01)	
Jan-Sept 19	$140.86	$2.68	
Oct-Dec 18	$138.18	($3.16)	
Jan-Sept 18	$141.34	$1.71	
Oct-Dec 17	$139.63	($5.53)	
Jan-Sept 17	$145.16	$15.47	
Oct-Dec 16	$129.69	$0.25	
Jan-Sept 16	$129.44	$13.47	
Oct-Dec 15	$115.97	$0.54	
Jan-Sept 15	$115.43	$1.58	

This program is exempt from performance measures as it is a mandated payment to the federal government.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.700**
Program Name: Pharmacy Clawback
Program is found in the following core budget(s): Pharmacy Clawback

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3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	FY19 Actual	FY20 Actual	FY21 Acutal	FY22 Planned
GR	$252,456,617	$156,455,012	$226,272,772	$220,978,651
FEDERAL		$74,391,170		
TOTAL	$252,456,617	$230,846,182	$226,272,772	$220,978,651

(Chart: Program Expenditure History, values as labeled above; y-axis $0 to $300,000,000)

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4. What are the sources of the "Other " funds?

N/A

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Federal law: Medicare Prescription Drug Improvement and Modernization Act (MMA) of 2003, P.L. 108-173.

6. Are there federal matching requirements? If yes, please explain.

No.

7. Is this a federally mandated program? If yes, please explain.

Yes. All States, including Missouri, are required to make a monthly payment to the federal government to re-direct the money that the states would have spent on providing prescription drugs to participants in MO HealthNet.

Core - Missouri RX Plan

CORE DECISION ITEM

Department: Social Services **Budget Unit:** **90538C**
Division: MO HealthNet
Core: Missouri Rx Plan **HB Section:** **11.705**

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0	**PS**	0	0	0	0
EE	0	0	0	0	**EE**	0	0	0	0
PSD	3,765,778	0	2,788,774	6,554,552	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**3,765,778**	**0**	**2,788,774**	**6,554,552**	**Total**	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00	**FTE**	0.00	0.00	0.00	0.00

Est. Fringe	*0*	*0*	*0*	*0*	***Est. Fringe***	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Missouri Rx Plan Fund (0779) - $2,788,774

Other Funds:

2. CORE DESCRIPTION

The Missouri Rx Plan (MORx) provides pharmaceutical assistance to Medicare/Medicaid dual eligibles. MORx facilitates coordination of benefits between the MORx plan and the federal Medicare Part D drug benefit program established by the Medicare Prescription Drug Improvement and Modernization Act of 2003 (MMA), P.L. 108-173, and enrolls individuals in the program.

3. PROGRAM LISTING (list programs included in this core funding)

Missouri Rx Plan

CORE DECISION ITEM

Department: Social Services   **Budget Unit:**   **90538C**
Division: MO HealthNet
Core: Missouri Rx Plan   **HB Section:**   **11.705**

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr.
Appropriation (All Funds)	11,370,890	5,860,516	6,381,746	6,554,552
Less Reverted (All Funds)	(201,467)	(91,183)	0	0
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	11,169,423	5,769,333	6,381,746	6,554,552
Actual Expenditures (All Funds)	4,768,749	3,915,789	3,663,929	N/A
Unexpended (All Funds)	6,400,674	1,853,544	2,717,817	N/A
Unexpended, by Fund:				
General Revenue	4,534,122	321,076	320,901	N/A
Federal	0	0	0	N/A
Other	1,866,552	1,532,468	2,396,916	N/A
	(1)	(2)		

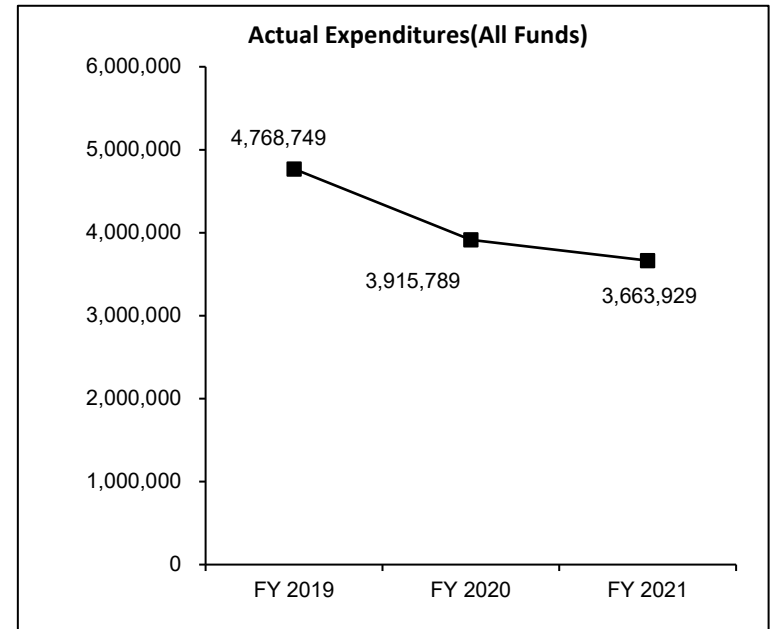*Current Year restricted amount is as of 9/1/2021.

Reverted includes the statutory three-percent reserve amount (when applicable).
Restricted includes any Governor's Expenditure Restrictions which remained at the end of the fiscal year (when applicable).

NOTES:
(1) FY19 - $3,676,125 agency reserve in GR due to estimated lapse.
(2) FY20 - $24,968 agency reserve in GR due to estimated lapse. $1,407,581 agency reserve in MORx fund (0779) due to estimated lapse.

Actual Expenditures(All Funds)

A line graph showing Actual Expenditures (All Funds) for FY 2019 ($4,768,749), FY 2020 ($3,915,789), and FY 2021 ($3,663,929), with the y-axis ranging from 0 to 6,000,000.

DEPARTMENT OF SOCIAL SERVICES
MISSOURI RX PLAN

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	3,765,778	0	2,788,774	6,554,552	
	Total	**0.00**	**3,765,778**	**0**	**2,788,774**	**6,554,552**	
DEPARTMENT CORE REQUEST							
	PD	0.00	3,765,778	0	2,788,774	6,554,552	
	Total	**0.00**	**3,765,778**	**0**	**2,788,774**	**6,554,552**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	3,765,778	0	2,788,774	6,554,552	
	Total	**0.00**	**3,765,778**	**0**	**2,788,774**	**6,554,552**	

Budget Unit								
Decision Item	FY 2021	FY 2021	FY 2022	FY 2022	FY 2023	FY 2023	*************	*************
Budget Object Summary	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Fund	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
MISSOURI RX PLAN								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	3,272,071	0.00	3,765,778	0.00	3,765,778	0.00	0	0.00
MISSOURI RX PLAN FUND	391,858	0.00	2,788,774	0.00	2,788,774	0.00	0	0.00
TOTAL - PD	3,663,929	0.00	6,554,552	0.00	6,554,552	0.00	0	0.00
TOTAL	**3,663,929**	**0.00**	**6,554,552**	**0.00**	**6,554,552**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$3,663,929**	**0.00**	**$6,554,552**	**0.00**	**$6,554,552**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
MISSOURI RX PLAN								
CORE								
PROGRAM DISTRIBUTIONS	3,663,929	0.00	6,554,552	0.00	6,554,552	0.00	0	0.00
TOTAL - PD	**3,663,929**	**0.00**	**6,554,552**	**0.00**	**6,554,552**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$3,663,929**	**0.00**	**$6,554,552**	**0.00**	**$6,554,552**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$3,272,071	0.00	$3,765,778	0.00	$3,765,778	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00
OTHER FUNDS	$391,858	0.00	$2,788,774	0.00	$2,788,774	0.00		0.00

Department: Social Services HB Section(s): 11.705
Program Name: Missouri Rx Plan
Program is found in the following core budget(s): Missouri Rx Plan

1a. What strategic priority does this program address?

Access to safe and effective medications for MHD participants

1b. What does this program do?

The purpose of this program is to coordinate pharmaceutical benefits between the MORx plan and the federal Medicare Part D drug program for Medicare/Medicaid dual eligibles. SB 539 (2005) established a state pharmaceutical assistance program known as the Missouri Rx (MORx) plan. SB 139 (2017) limited the Missouri Rx program to individuals who are eligible for both MO HealthNet and Medicare. SB 514 (2019) removed the MO HealthNet dual eligibility requirement, while retaining the income limitations, subject to appropriations. The MORx program has been reauthorized by the General Assembly through August 28, 2022.

In FY22 it is estimated the program will save participants $4.9 million in prescription drug costs. Without the assistance offered by MORx, participants who are eligible for both Medicaid and Medicare, also known as dually eligible, could be at a higher risk of medication non-compliance which potentially leads to higher costs to the Medicaid program for resulting medical treatment and worsening of existing health conditions.

Subject to appropriation, the MORx plan pays 50% of members' out of pocket costs which are remaining after their Medicare Prescription Drug Plan pays. MORx does not cover Medicare Part D premiums. MORx works with all Medicare Part D plans to provide members with drug coverage.

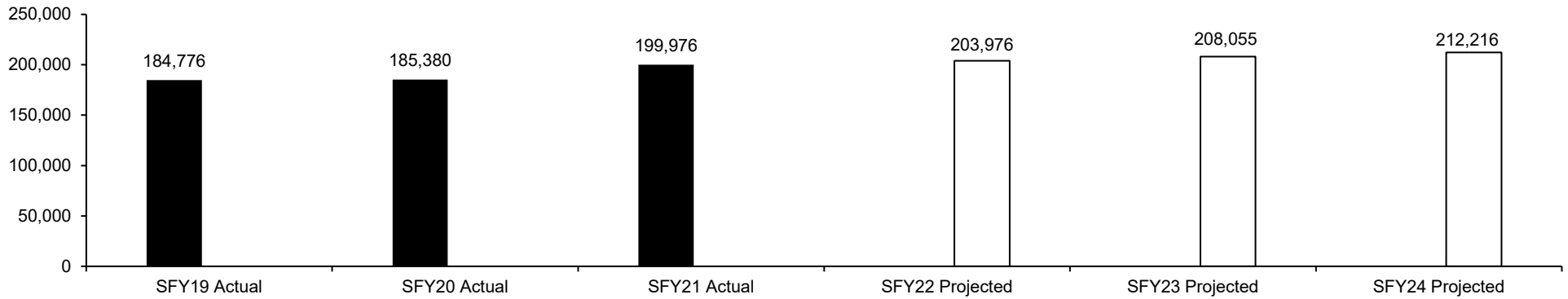# PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.705**
Program Name: Missouri Rx Plan
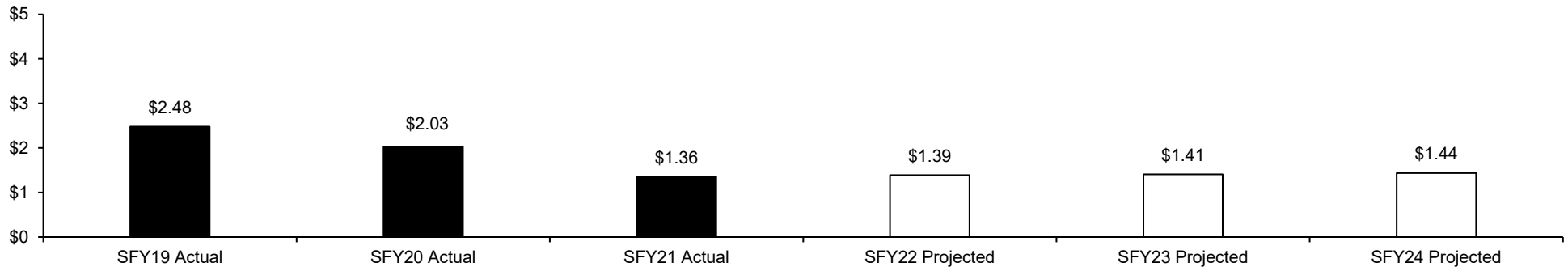**Program is found in the following core budget(s): Missouri Rx Plan**

2a. Provide an activity measure for the program.

Average Monthly MORx Members

SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
184,776	185,380	199,976	203,976	208,055	212,216

2b. Provide a measure of the program's quality.

MORx Per Member Per Month

SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
$2.48	$2.03	$1.36	$1.39	$1.41	$1.44

PROGRAM DESCRIPTION

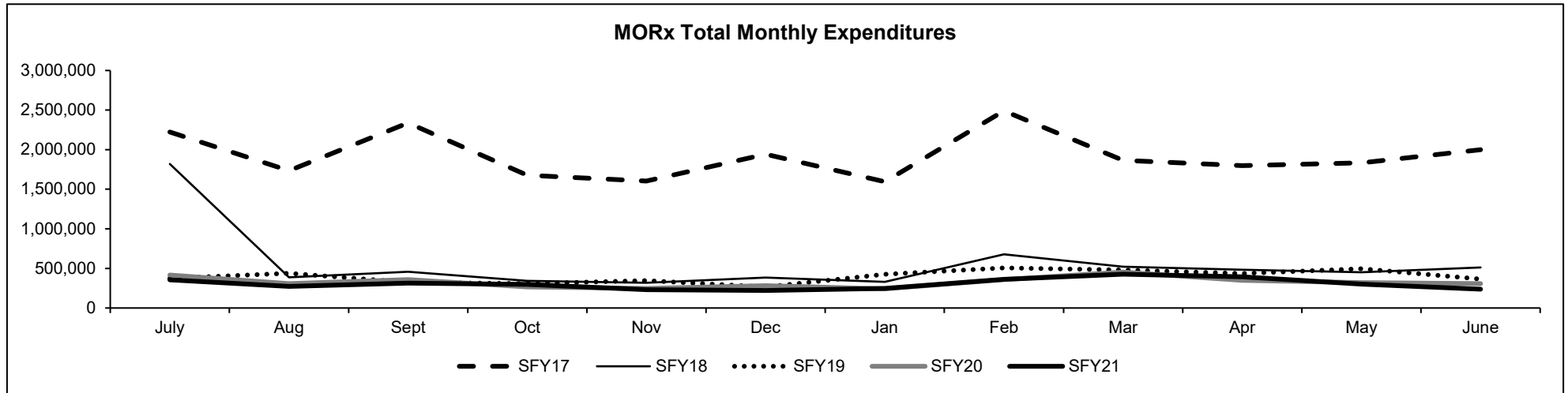**Department: Social Services**
Program Name: Missouri Rx Plan
Program is found in the following core budget(s): Missouri Rx Plan

HB Section(s): **11.705**

2c. Provide a measure of the program's impact.

MORx Total Monthly Expenditures

FY18 reflects a change in the MORx program coverage to limit it to Dual eligibles.

2d. Provide a measure of the program's efficiency.

Number of MORx Claims

Effective July 01, 2017, the MORx program only covers Dual eligibles. The MORx program has been reauthorized by the General Assembly through August 28, 2022.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.705**
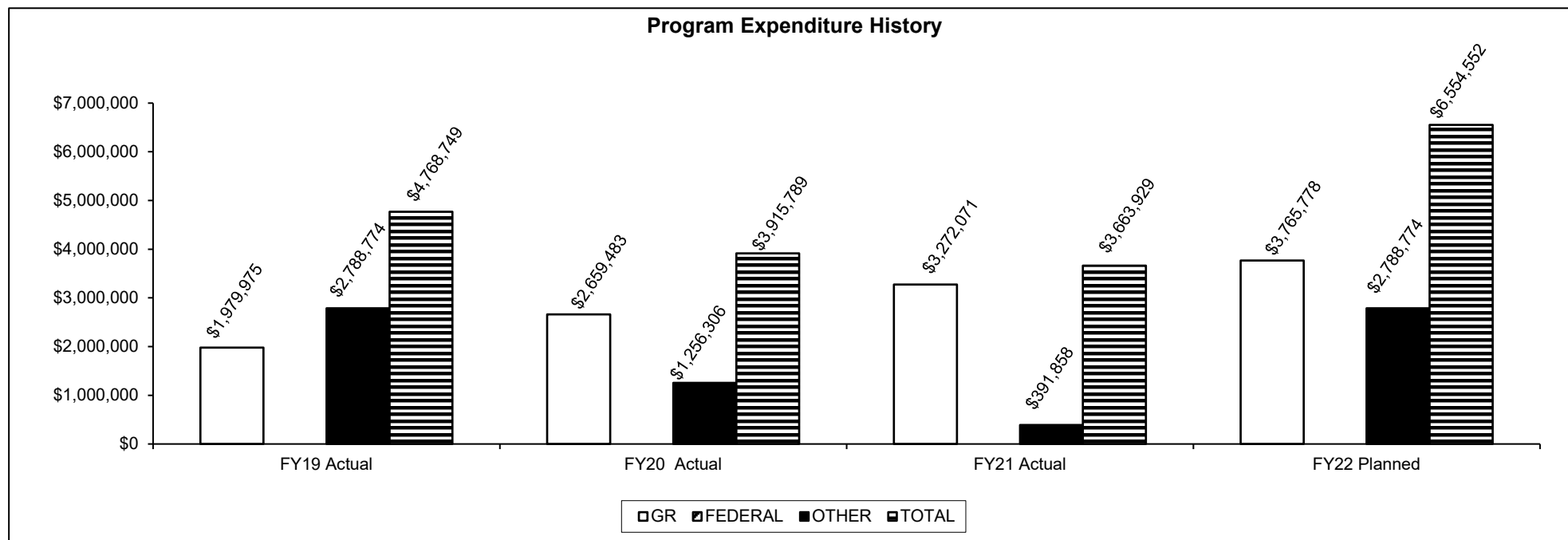**Program Name: Missouri Rx Plan**
Program is found in the following core budget(s): Missouri Rx Plan

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3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

Chart data:

	GR	OTHER	TOTAL
FY19 Actual	$1,979,975	$2,788,774	$4,768,749
FY20 Actual	$2,659,483	$1,256,306	$3,915,789
FY21 Actual	$3,272,071	$391,858	$3,663,929
FY22 Planned	$3,765,778	$2,788,774	$6,554,552

Legend: □GR ◩FEDERAL ■OTHER ▤TOTAL

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4. What are the sources of the "Other " funds?

Missouri Rx Plan Fund (0779)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Sections 208.780 through 208.798, RSMo. Federal law: Medicare Prescription Drug Improvement and Modernization Act of 2003, P.L. 108-173.

6. Are there federal matching requirements? If yes, please explain.

No. This program is funded with 100% state sources.

7. Is this a federally mandated program? If yes, please explain.

No. The MORx program is subject to appropriations.

Core - Pharmacy FRA

CORE DECISION ITEM

Department: Social Services	**Budget Unit:** **90542C**
Division: MO HealthNet	
Core: Pharmacy Reimbursement Allowance (PFRA) Payments	**HB Section:** **11.710**

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0	**PS**	0	0	0	0
EE	0	0	0	0	**EE**	0	0	0	0
PSD	0	0	108,000,000	108,000,000	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**0**	**0**	**108,000,000**	**108,000,000**	**Total**	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00	**FTE**	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*	***Est. Fringe***	*0*	*0*	*0*	*0*
Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.					*Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.*				

Other Funds: Pharmacy Reimbursement Allowance Fund (0144) - $108,000,000   Other Funds:

2. CORE DESCRIPTION

This item funds payments for pharmacy services provided to MO HealthNet participants. Funds from this core are used to provide enhanced dispensing fee payment rates using the Pharmacy Reimbursement Allowance under the Title XIX of the Social Security Act as a General Revenue equivalent.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy Reimbursement Allowance (PFRA) Program
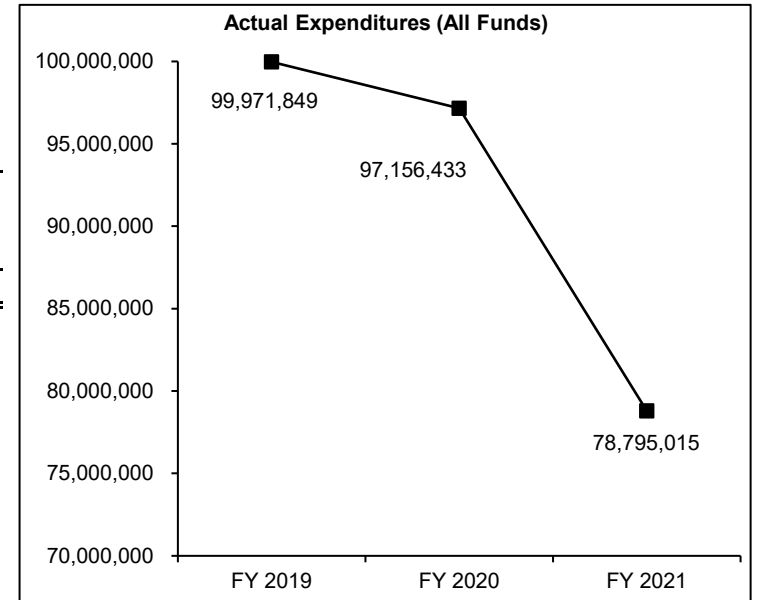
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CORE DECISION ITEM

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Department: Social Services
Division: MO HealthNet
Core: Pharmacy Reimbursement Allowance (PFRA) Payments

Budget Unit: **90542C**

HB Section: **11.710**

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr.
Appropriation (All Funds)	108,308,926	108,308,926	108,000,000	108,000,000
Less Reverted (All Funds)	0	0	0	0
Budget Authority (All Funds)	108,308,926	108,308,926	108,000,000	108,000,000
Actual Expenditures (All Funds)	99,971,849	97,156,433	78,795,015	N/A
Unexpended (All Funds)	8,337,077	11,152,493	29,204,985	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	8,337,077	11,152,493	29,204,985	N/A

Actual Expenditures (All Funds)

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:

DEPARTMENT OF SOCIAL SERVICES
PHARMACY FRA

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	0	108,000,000	108,000,000	
	Total	**0.00**	**0**	**0**	**108,000,000**	**108,000,000**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	0	108,000,000	108,000,000	
	Total	**0.00**	**0**	**0**	**108,000,000**	**108,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	0	108,000,000	108,000,000	
	Total	**0.00**	**0**	**0**	**108,000,000**	**108,000,000**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY FRA								
CORE								
PROGRAM-SPECIFIC								
PHARMACY REIMBURSEMENT ALLOWAN	78,975,015	0.00	108,000,000	0.00	108,000,000	0.00	0	0.00
TOTAL - PD	78,975,015	0.00	108,000,000	0.00	108,000,000	0.00	0	0.00
TOTAL	**78,975,015**	**0.00**	**108,000,000**	**0.00**	**108,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$78,975,015**	**0.00**	**$108,000,000**	**0.00**	**$108,000,000**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHARMACY FRA								
CORE								
PROGRAM DISTRIBUTIONS	78,975,015	0.00	108,000,000	0.00	108,000,000	0.00	0	0.00
TOTAL - PD	**78,975,015**	**0.00**	**108,000,000**	**0.00**	**108,000,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$78,975,015**	**0.00**	**$108,000,000**	**0.00**	**$108,000,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00		0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00
OTHER FUNDS	$78,975,015	0.00	$108,000,000	0.00	$108,000,000	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.710**
Program Name: Pharmacy Reimbursement Allowance (PFRA) Payments
Program is found in the following core budget(s): PFRA

1a. What strategic priority does this program address?

Access to safe and effective medications

1b. What does this program do?

Funds from this core are used to provide enhanced dispensing fee payment rates using the Pharmacy Reimbursement Allowance under the Title XIX of the Social Security Act as a General Revenue equivalent. Pharmacies are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, can earn federal Medicaid matching funds. These earnings fund pharmacy expenditures in the MO HealthNet program.

The pharmacy tax was established in 2002. The tax is assessed on gross prescription receipts of all pharmacies in the state. In FY21, 1,273 pharmacy facilities were assessed, and 1,258 pharmacy facilities participated in the MO HealthNet program. The assessments in FY21 were $106.7 million.

SFY21 Tax Rates	
Effective Date	**PFRA Rate**
07/01/2021-06/30/2022	1.40%

The PFRA program has been reauthorized by the General Assembly through September 30, 2024

This program is exempt from performance measures as it is an accounting mechanism.
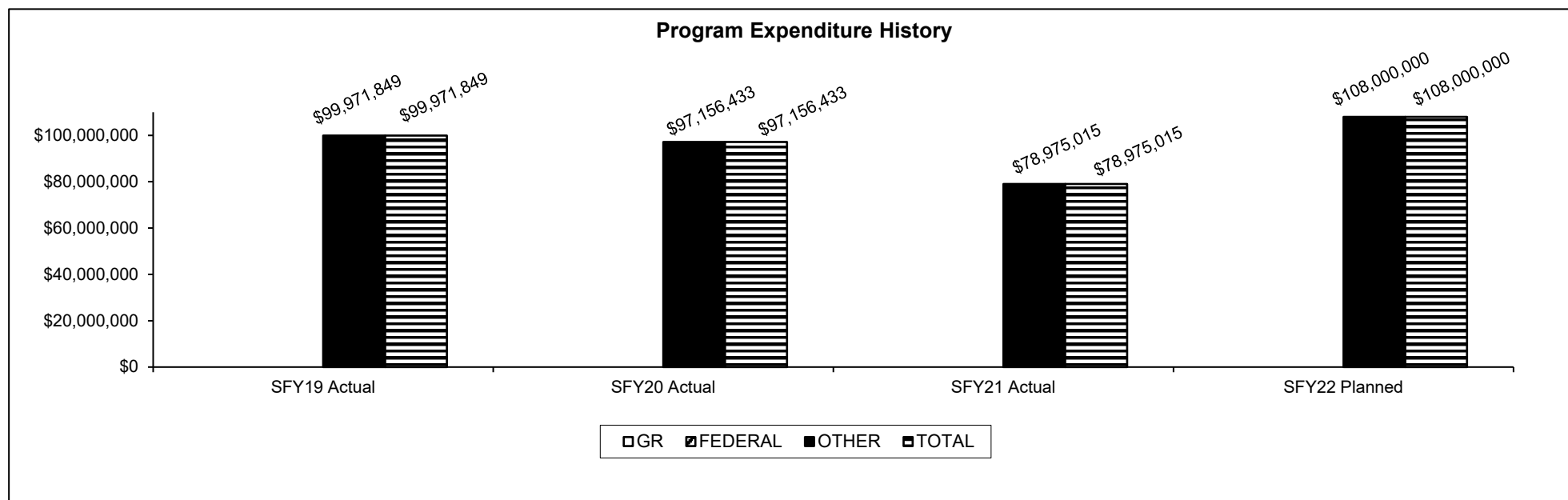
PROGRAM DESCRIPTION

Department: Social Services
Program Name: Pharmacy Reimbursement Allowance (PFRA) Payments
Program is found in the following core budget(s): PFRA

HB Section(s): 11.710

3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Planned
OTHER	$99,971,849	$97,156,433	$78,975,015	$108,000,000
TOTAL	$99,971,849	$97,156,433	$78,975,015	$108,000,000

Legend: □GR ▨FEDERAL ■OTHER ▥TOTAL

4. What are the sources of the "Other " funds?

Pharmacy Reimbursement Allowance Fund (0144)

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Missouri statute: Section 338.500, RSMo. Federal law: Social Security Act Section 1903(w). State Regulation: 13 CSR 70-20. Federal Regulation: 42 CFR 433 Subpart B.

6. Are there federal matching requirements? If yes, please explain.

The FMAP (Federal Medical Assistance Percentage) fluctuates annually based on state and national economic and population data, but generally the state matching requirement is around 35% and the federal match is around 65%.

7. Is this a federally mandated program? If yes, please explain.

No.

Core - Physician Related

CORE DECISION ITEM

Department: Social Services   Budget Unit: **90544C, 90592C, 90842C**
Division: MO HealthNet
Core: Physician   HB Section: **11.715**

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0	**PS**	0	0	0	0
EE	0	0	0	0	**EE**	0	0	0	0
PSD	174,491,308	351,124,163	1,678,127	527,293,598	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**174,491,308**	**351,124,163**	**1,678,127**	**527,293,598**	**Total**	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00	**FTE**	0.00	0.00	0.00	0.00

Est. Fringe	*0*	*0*	*0*	*0*	***Est. Fringe***	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275) - $1,427,081   Other Funds:
                Pharmacy Reimbursement Allowance Fund (0144) - $10,000
                Third Party Liability Collections Fund (0120) - $241,046

2. CORE DESCRIPTION

This item funds physician-related services provided to fee-for-service MO HealthNet participants.

3. PROGRAM LISTING (list programs included in this core funding)

Physician
Neonatal Abstinence Syndrome
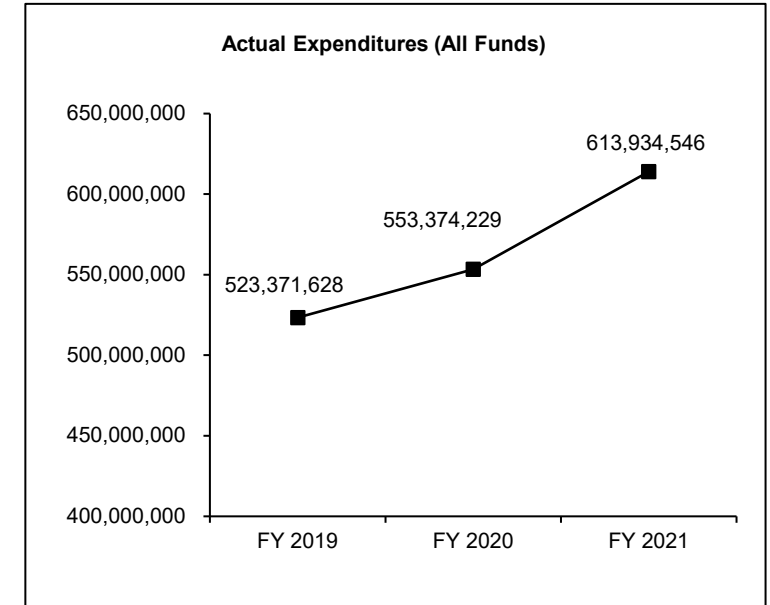Trauma Treatment for Kids

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Physician

Budget Unit: **90544C, 90592C, 90842C**

HB Section: **11.715**

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr
Appropriation (All Funds)	526,726,843	575,732,483	620,841,934	530,944,526
Less Reverted (All Funds)	(29,604)	0	(27,539)	0
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	526,697,239	575,732,483	620,814,395	530,944,526
Actual Expenditures (All Funds)	523,371,628	553,374,229	613,934,546	N/A
Unexpended (All Funds)	3,325,611	22,358,254	6,879,849	N/A
Unexpended, by Fund:				
General Revenue	847,918	180,954	1,514,936	N/A
Federal	2,477,693	22,177,300	5,364,913	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	

Actual Expenditures (All Funds)

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
(1) FY19 - $20,988,953 GR and $57,580,045 Fed was flexed in to cover program expenditures.
(2) FY20 - $42,800,000 GR was flexed in to cover program expenditures.
(3) FY21 - $1,000,000 GR and $21,309,127 Fed was flexed in to cover program expenditures. $4,680,173 GR and $18,717,643 was flexed out to cover other program expenditures.

DEPARTMENT OF SOCIAL SERVICES
PHYSICIAN RELATED PROF

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	174,811,241	351,806,165	1,678,127	528,295,533	
		Total	**0.00**	**174,811,241**	**351,806,165**	**1,678,127**	**528,295,533**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reallocation	1265 8197	PD	0.00	0	923,475	0	923,475	Reallocation from Neonatal Abstinence Syndrome.
Core Reallocation	1265 8196	PD	0.00	475,518	0	0	475,518	Reallocation from Neonatal Abstinence Syndrome.
Core Reallocation	1267 8196	PD	0.00	(1,475,248)	0	0	(1,475,248)	Reallocation to PACE.
Core Reallocation	1267 8197	PD	0.00	0	(2,910,151)	0	(2,910,151)	Reallocation to PACE.
Core Reallocation	1268 8197	PD	0.00	0	484,824	0	484,824	Reallocation from MC parity payments.
Core Reallocation	1268 8196	PD	0.00	249,647	0	0	249,647	Reallocation from MC parity payments.
NET DEPARTMENT CHANGES			**0.00**	**(750,083)**	**(1,501,852)**	**0**	**(2,251,935)**	
DEPARTMENT CORE REQUEST								
		PD	0.00	174,061,158	350,304,313	1,678,127	526,043,598	
		Total	**0.00**	**174,061,158**	**350,304,313**	**1,678,127**	**526,043,598**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	174,061,158	350,304,313	1,678,127	526,043,598	
		Total	**0.00**	**174,061,158**	**350,304,313**	**1,678,127**	**526,043,598**	

DEPARTMENT OF SOCIAL SERVICES
NEONATAL ABSTINENCE SYNDROME

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	475,518	923,475	0	1,398,993	
		Total	**0.00**	**475,518**	**923,475**	**0**	**1,398,993**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reallocation	1271 3955	PD	0.00	0	(923,475)	0	(923,475)	Reallocating to Physician core appropriations.
Core Reallocation	1271 3954	PD	0.00	(475,518)	0	0	(475,518)	Reallocating to Physician core appropriations.
NET DEPARTMENT CHANGES			**0.00**	**(475,518)**	**(923,475)**	**0**	**(1,398,993)**	
DEPARTMENT CORE REQUEST								
		PD	0.00	0	0	0	0	
		Total	**0.00**	**0**	**0**	**0**	**0**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	0	0	0	0	
		Total	**0.00**	**0**	**0**	**0**	**0**	

DEPARTMENT OF SOCIAL SERVICES
TRAUMA TREAT

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	430,150	819,850	0	1,250,000	
	Total	**0.00**	**430,150**	**819,850**	**0**	**1,250,000**	
DEPARTMENT CORE REQUEST							
	PD	0.00	430,150	819,850	0	1,250,000	
	Total	**0.00**	**430,150**	**819,850**	**0**	**1,250,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	430,150	819,850	0	1,250,000	
	Total	**0.00**	**430,150**	**819,850**	**0**	**1,250,000**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PHYSICIAN RELATED PROF								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	210,153,879	0.00	174,811,241	0.00	174,061,158	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	399,581,377	0.00	351,806,165	0.00	350,304,313	0.00	0	0.00
THIRD PARTY LIABILITY COLLECT	241,046	0.00	241,046	0.00	241,046	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	10,000	0.00	10,000	0.00	10,000	0.00	0	0.00
HEALTH INITIATIVES	1,427,081	0.00	1,427,081	0.00	1,427,081	0.00	0	0.00
HEALTHY FAMILIES TRUST	2,159,006	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	613,572,389	0.00	528,295,533	0.00	526,043,598	0.00	0	0.00
TOTAL	**613,572,389**	**0.00**	**528,295,533**	**0.00**	**526,043,598**	**0.00**	**0**	**0.00**
MHD CTC - 1886029								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	5,431,979	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	20,643,224	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	26,075,203	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**26,075,203**	**0.00**	**0**	**0.00**
CHIP Authority CTC - 1886041								
PROGRAM-SPECIFIC								
CHILDRENS HEALTH INSURANCE	0	0.00	0	0.00	1,558,546	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	1,558,546	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,558,546**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$613,572,389**	**0.00**	**$528,295,533**	**0.00**	**$553,677,347**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
NEONATAL ABSTINENCE SYNDROME								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	340,727	0.00	475,518	0.00	0	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	923,475	0.00	0	0.00	0	0.00
TOTAL - PD	340,727	0.00	1,398,993	0.00	0	0.00	0	0.00
TOTAL	**340,727**	**0.00**	**1,398,993**	**0.00**	**0**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$340,727**	**0.00**	**$1,398,993**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
TRAUMA TREAT								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	21,430	0.00	430,150	0.00	430,150	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	819,850	0.00	819,850	0.00	0	0.00
TOTAL - PD	21,430	0.00	1,250,000	0.00	1,250,000	0.00	0	0.00
TOTAL	**21,430**	**0.00**	**1,250,000**	**0.00**	**1,250,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$21,430**	**0.00**	**$1,250,000**	**0.00**	**$1,250,000**	**0.00**	**$0**	**0.00**

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FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90544C **BUDGET UNIT NAME: Physician** **HOUSE BILL SECTION: 11.715**	**DEPARTMENT:** Social Services **DIVISION:** MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

<div align="center">

Department Request

</div>

.25% of flexibility is requested between sections 11.600 (MHD Admin), 11.620 (Information Systems), 11.700 (Pharmacy and Clawback), 11.715 (Physician Related Prof), 11.730 (Nursing Facilities and Home Health), 11.745 (Rehab Specialty Services and NEMT), 11.750 (GEMT), 11.760 (Managed Care), and 11.765 (Hospital Care).

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
$0	DSS will flex up to .25% between sections.	Up to .25% flexibility will be used.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
N/A	Flex is to be used in the Administration and Information System sections that allows MHD to pay for contractual expenditures to allow MHD to continue oversight and operation of the Medicaid program.

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90544C BUDGET UNIT NAME: Physician HOUSE BILL SECTION: 11.715	DEPARTMENT: Social Services DIVISION: MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.
Department Request
10% flexibility is requested between sections 11.700 (Pharmacy and Clawback), 11.715 (Physician Related Prof), 11.720 (Dental), 11.725 (Premium Payments), 11.730 (Nursing Facilities and Home Health), 11.745 (Rehab Specialty Services and NEMT), 11.755 (Complex Rehab), 11.760 (Managed Care), 11.765 (Hospital Care), 11.785 (Health Homes), 11.800 (CHIP), 11.805 (SMHB), 11.815 (Blind).

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
$23,397,816	DSS will flex up to 10% between sections.	Up to 10% flexibility will be used.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
To allow for program payments in Managed Care, Nursing Facilities, Premium Payments, and Show Me Healthy Babies.	Flexibility allows for MHD to move authority between program sections to ensure bi-monthly payroll obligations are met and services continue to be provided without disruption or delay. Flex allows MHD to shift authority to sections where there is need.

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90544C BUDGET UNIT NAME: Physician HOUSE BILL SECTION: 11.715	DEPARTMENT: Social Services DIVISION: MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

<div align="center">Department Request</div>

20% flexibility is requested between funds 0159 and 0163 and 0159 and 0610 in sections 11.600 (MHD Admin), 11.700 (Pharmacy), 11.715 (Physician Related Prof), 11.785 (Health Home), and 11.790 (FRA).

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
N/A	N/A	Up to 20% flexibility will be used.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
N/A	Flex is needed between federal funds due to the fluctuations between Title XIX and CHIP Medicaid populations and expenditures.

Budget Unit	FY 2021	FY 2021	FY 2022	FY 2022	FY 2023	FY 2023	*************	*************
Decision Item	ACTUAL	ACTUAL	BUDGET	BUDGET	DEPT REQ	DEPT REQ	SECURED	SECURED
Budget Object Class	DOLLAR	FTE	DOLLAR	FTE	DOLLAR	FTE	COLUMN	COLUMN
PHYSICIAN RELATED PROF								
CORE								
PROGRAM DISTRIBUTIONS	613,572,389	0.00	528,295,533	0.00	526,043,598	0.00	0	0.00
TOTAL - PD	**613,572,389**	**0.00**	**528,295,533**	**0.00**	**526,043,598**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$613,572,389**	**0.00**	**$528,295,533**	**0.00**	**$526,043,598**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$210,153,879	0.00	$174,811,241	0.00	$174,061,158	0.00		0.00
FEDERAL FUNDS	$399,581,377	0.00	$351,806,165	0.00	$350,304,313	0.00		0.00
OTHER FUNDS	$3,837,133	0.00	$1,678,127	0.00	$1,678,127	0.00		0.00

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
NEONATAL ABSTINENCE SYNDROME								
CORE								
PROGRAM DISTRIBUTIONS	340,727	0.00	1,398,993	0.00	0	0.00	0	0.00
TOTAL - PD	**340,727**	**0.00**	**1,398,993**	**0.00**	**0**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$340,727**	**0.00**	**$1,398,993**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$340,727**	**0.00**	**$475,518**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$923,475**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
TRAUMA TREAT								
CORE								
PROGRAM DISTRIBUTIONS	21,430	0.00	1,250,000	0.00	1,250,000	0.00	0	0.00
TOTAL - PD	**21,430**	**0.00**	**1,250,000**	**0.00**	**1,250,000**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$21,430**	**0.00**	**$1,250,000**	**0.00**	**$1,250,000**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$21,430**	**0.00**	**$430,150**	**0.00**	**$430,150**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$819,850**	**0.00**	**$819,850**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

PROGRAM DESCRIPTION

Department: Social Services　　　　　　　　　　　　　　**HB Section(s):**　　**11.715**
Program Name: Physician
Program is found in the following core budget(s): Physician

1a. What strategic priority does this program address?

Sustain healthy lives by increasing preventive services

1b. What does this program do?

This program funds physician-related services provided to fee-for-service MO HealthNet participants.

Services are provided by:

- Physicians
- Podiatrists
- Chiropractors
- Advanced Practitioners
    - Advanced Practice Registered Nurses (APRN) or Nurse Practitioners (NP)
    - Nurse Midwives
    - Physician Assistants (PA)
    - Assistant Physicians (AP) once licensed by the Board of Healing Arts
    - Certified Registered Nurse Anesthetists (CRNA) and Anesthesiologists Assistants (AA)
- Behavioral health providers
    - Psychiatrists
    - Psychologists, included provisional licensees
    - Licensed professional counselors (LPC), including provisional licensees
    - Licensed clinical social workers (LCSW), including provisional licensees
    - Licensed behavior analysts

Services may be billed by the providers listed above or on behalf of professional services provided at the following locations:

- Clinics
- Rural health clinics (RHC)
- Federally qualified health centers (FQHC)
- Ambulatory surgical centers (ASC)
- Lab and x-ray facilities
- Independent diagnostic testing facilities
- Participant's home
- Hospital (Inpatient and Outpatient settings)
- Nursing facilities
- Free Standing Birth Centers

Department: Social Services   HB Section(s):   11.715
Program Name: Physician
Program is found in the following core budget(s): Physician

Reimbursement Methodology

The majority of services provided by physician-related professionals are reimbursed on a fee schedule; whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case. Certain procedures are only reimbursable with prior approval. A few services are reimbursed manually.

Services rendered by someone other than a physician or podiatrist, including appropriate supplies, are billable on behalf of the physician only where there is direct personal supervision by the physician. This applies to services rendered by auxiliary personnel employed by the physician and working under his/her on-site supervision. Auxiliary personnel include nurses, non-physician anesthetists (including Certified Registered Nurse Anesthetists and Anesthesiologist Assistants), technicians, and other aides.

The following advanced practitioners can bill MO HealthNet independently from a physician, but must still operate within the terms of their collaborative practice arrangement with the physician:

  • Advanced Practice Registered Nurses (APRN) and Nurse Practitioners (NP),
  • Nurse Midwives,
  • Physician Assistants (PA), and
  • Assistant Physicians (AP).

The services of physicians, podiatrists, advanced practitioners, chiropractors, and behavioral health providers may be administered in multiple settings including the physician's office, the participant's home (or other place of residence such as a nursing facility), the hospital (inpatient/outpatient) or settings such as a medical clinic or ambulatory surgical care facility. The services of a nurse midwife may also be administered in the home of the participant (delivery and newborn care only) or a birthing center.

MO HealthNet reimbursement may also be made directly to the facility which employs the health care professionals. Facilities which receive direct payment from the physician-related services program include clinics, laboratory and x-ray facilities, independent diagnostic testing facilities (IDTF), rural health clinics (RHC), federally qualified health centers (FQHC), free standing birth centers and hospitals (inpatient and outpatient). Each provider offering health care services through the facility (with the exception of RHCs), in addition to being employed by the participating clinic, must be a MO HealthNet provider. Ambulatory surgical centers are also reimbursed for a facility fee which does not include professional services of the performing practitioner.

Obesity Program

The MO HealthNet Division implemented an Obesity Program that allows MO HealthNet to pay for the biopsychosocial treatment of obesity for youth and adult participants. The goal of this policy is to improve health outcomes for both the youth and adult population by managing obesity and associated co-morbidities.

Diabetes Prevention Program

The MO HealthNet Division implemented a Diabetes Prevention Program (DPP) for adult participants at risk for developing type-2 diabetes. It is a structured lifestyle intervention following the Center for Disease Control's (CDC) curriculum that includes dietary coaching, lifestyle intervention, and moderate physical activity, all with the goal of preventing the onset of diabetes in individuals who are pre-diabetic.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.715**
Program Name: Physician
Program is found in the following core budget(s): Physician

Rate History

7/1/19: 1.5% rate increase for all physician related services.

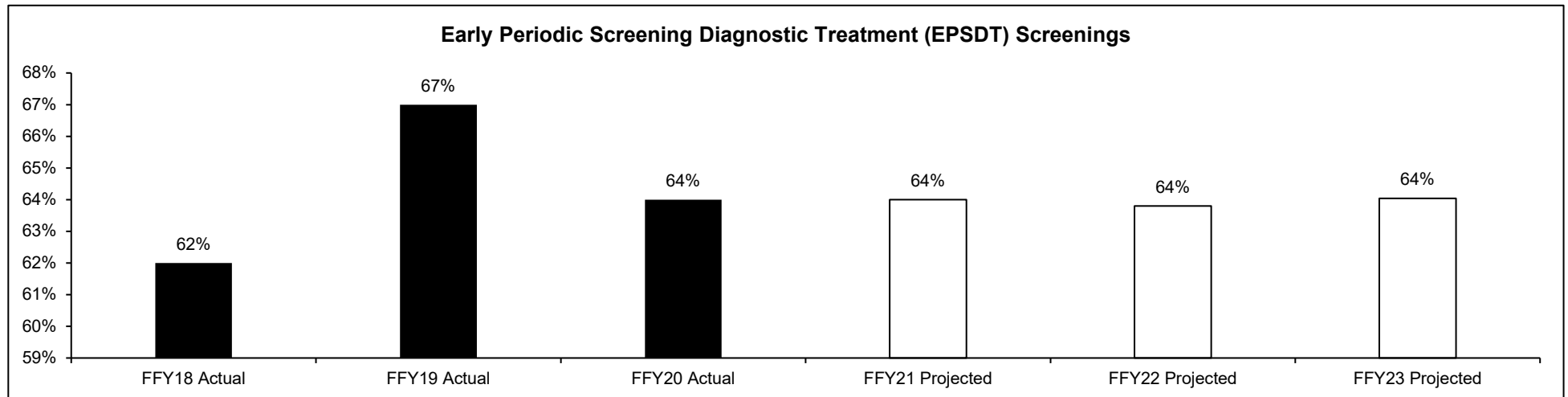7/1/18: 1.5% rate increase for rate restoration for physician related services.

7/1/17: 3% rate decrease for all physician related services.

7/1/16: 2% rate increase for all physician related services.

7/1/16: 3.79% rate increase for Medicare parity for physician related services.

1/1/16: 1% rate increase for all physician related services.

2a. Provide an activity measure for the program.

Early Periodic Screening Diagnostic Treatment (EPSDT) Screenings

The Healthy Children and Youth (HCY) Program in Missouri, also known as Early Periodic Screening, Diagnosis and Treatment (EPSDT), is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The HCY Program provides screenings and treatment to correct or ameliorate defects and chronic conditions found during the screening. The measure is based on the Federal Fiscal year in which the report was submitted to CMS.

FFY21 data is not available until February 2022.
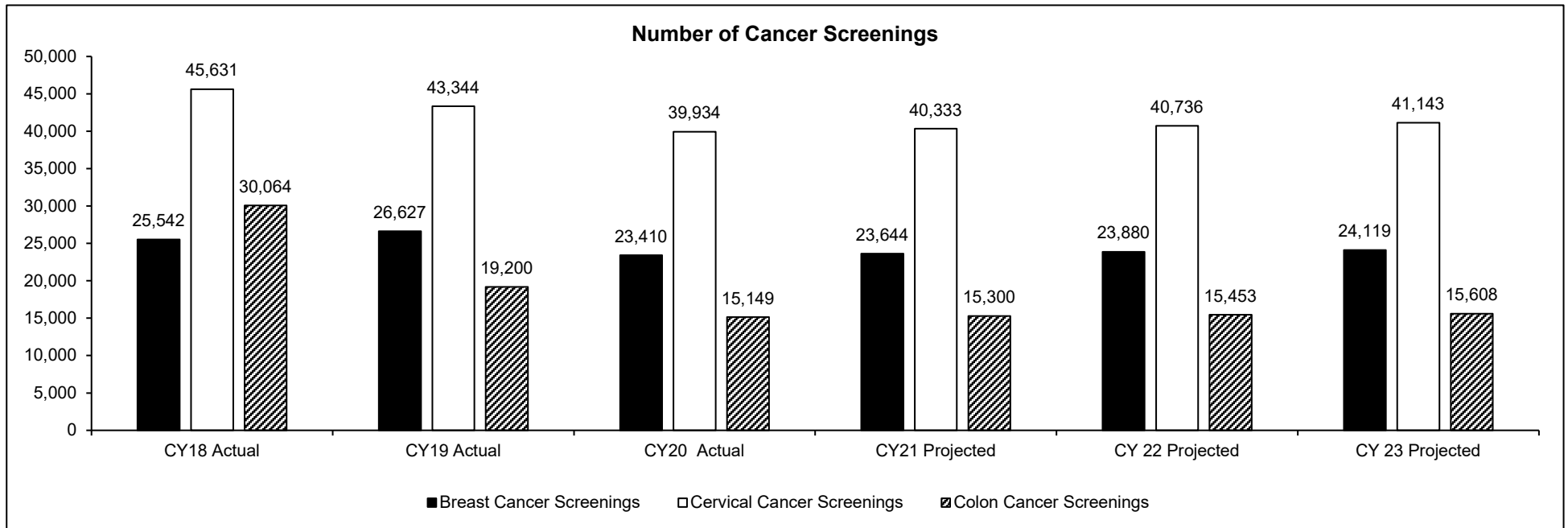
PROGRAM DESCRIPTION

Department: Social Services **HB Section(s):**   **11.715**
Program Name: Physician
Program is found in the following core budget(s): Physician

2b. Provide a measure of the program's quality.

Receiving preventive services such as breast, cervical, and colon cancer screenings are just a few examples of ways people can stay healthy. It is important to educate MO HealthNet participants of the importance of preventive care. An increase of 10% in breast, cervical and colon cancer screenings each year will show that the program is having a meaningful impact, by showing participants the importance of preventive screenings to catch cancers early, improve the treatment, and lessen the cost of the disease.

Number of Cancer Screenings

	CY18 Actual	CY19 Actual	CY20 Actual	CY21 Projected	CY 22 Projected	CY 23 Projected
Breast Cancer Screenings	25,542	26,627	23,410	23,644	23,880	24,119
Cervical Cancer Screenings	45,631	43,344	39,934	40,333	40,736	41,143
Colon Cancer Screenings	30,064	19,200	15,149	15,300	15,453	15,608

Notes:

The chart above includes Fee-for-Service (FFS) only, therefore the number of cancer screenings was expected to drop after FY 2017 due to statewide Managed Care.

The data for breast cancer screenings is on FFS women aged 40 years and older.

The data for cervical cancer screenings is on FFS women aged 18 and over.

The data for colon cancer screenings is on participants age 50 and over. The number of colon cancer screenings is lower than breast and cervical cancer screenings. This can be attributed to Medicare paying for services when participants are age 65 and older.
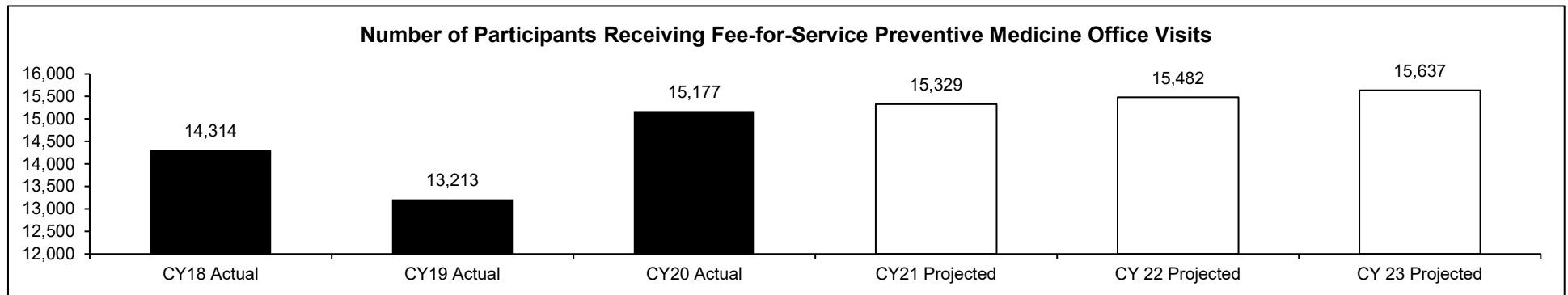
PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.715**
Program Name: Physician
Program is found in the following core budget(s): Physician

2c.   Provide a measure of the program's impact.

Increase the number of adult preventive office visits. MO HealthNet pays for one preventive examination/physical per year. Preventive visits are important for maintenance of good health and a reduction in risk factors that could lead to more expensive health care costs.
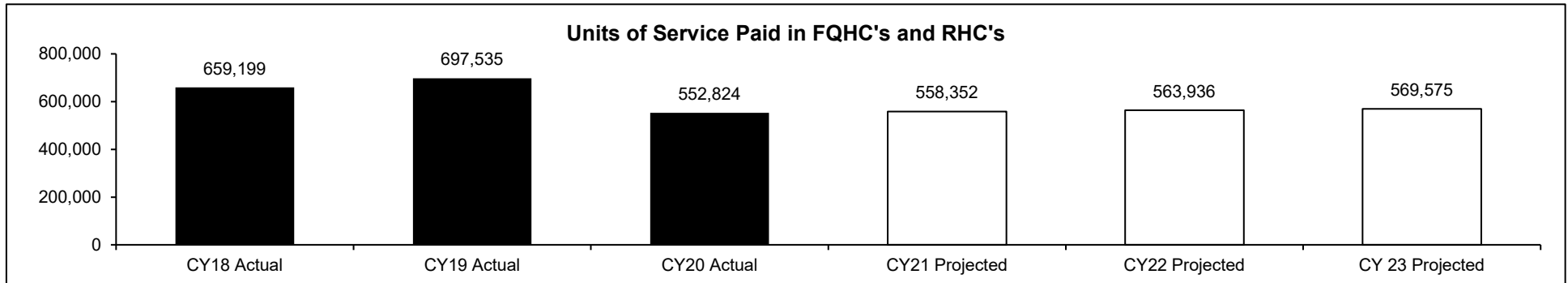
Number of Participants Receiving Fee-for-Service Preventive Medicine Office Visits

CY18 Actual	CY19 Actual	CY20 Actual	CY21 Projected	CY 22 Projected	CY 23 Projected
14,314	13,213	15,177	15,329	15,482	15,637

An increase of 10% would show the program is having a meaningful impact by showing participants the importance of preventive screenings.

Note: The chart above includes FFS only.

2d.   Provide a measure of the program's efficiency.

Services in an FQHC and RHC provide primary care services to those in rural areas assuring that they receive preventive care which also lessens the cost of diseases.

Units of Service Paid in FQHC's and RHC's

CY18 Actual	CY19 Actual	CY20 Actual	CY21 Projected	CY22 Projected	CY 23 Projected
659,199	697,535	552,824	558,352	563,936	569,575

Note: The chart above includes FFS only.

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Physician
Program is found in the following core budget(s): Physician

HB Section(s): **11.715**

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3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe*

Program Expenditure History

	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Planned
GR	$165,175,684	$187,319,747	$210,153,879	$175,716,909
FEDERAL	$341,991,940	$360,717,349	$399,581,377	$351,806,165
OTHER	$16,204,004	$5,337,133	$3,837,133	$1,678,127
TOTAL	$523,371,628	$553,374,229	$613,572,389	$529,201,201

Planned FY2022 expenditures are net of reserves.

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4. What are the sources of the "Other " funds?

Health Initiatives Fund (HIF) (0275), Pharmacy Reimbursement Allowance Fund (0144), and Third Party Liability Collections Fund (0120).

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Sections 208.153 and 208.166 RSMo. Federal law: Social Security Act Sections 1905(a)(2), (3), (5), (6), (9), (17), (21); 1905(r) and 1915(d). Federal regulations: 42 CFR 440.210, 440.500, 412.113(c) and 441 Subpart B.

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6. Are there federal matching requirements? If yes, please explain.

The FMAP (Federal Medical Assistance Percentage) fluctuates annually based on state and national economic and population data, but generally the state matching requirement is around 35% and the federal match is around 65%.

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7. Is this a federally mandated program? If yes, please explain.

Yes, if the state elects to have a Medicaid program. Some services are optional: podiatry, clinics, nurse practitioners, CRNA, Psychologist, and LCSW.

Core - PACE

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Programs for All-Inclusive Care for the Elderly (PACE)

Budget Unit: **90568C**

HB Section: **11.715**

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0	**PS**	0	0	0	0
EE	0	0	0	0	**EE**	0	0	0	0
PSD	1,475,248	2,910,151	0	4,385,399	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**1,475,248**	**2,910,151**	**0**	**4,385,399**	**Total**	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00	**FTE**	0.00	0.00	0.00	0.00

Est. Fringe	*0*	*0*	*0*	*0*	***Est. Fringe***	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A

Other Funds:

2. CORE DESCRIPTION

This item funds the Program for All-Inclusive Care for the Elderly (PACE). Funding for this program is currently included within the funding for Physician-Related Services. The MO HealthNet division is requesting that this funding be reallocated to it's own Budget Unit for the FY 2023 budget.

3. PROGRAM LISTING (list programs included in this core funding)
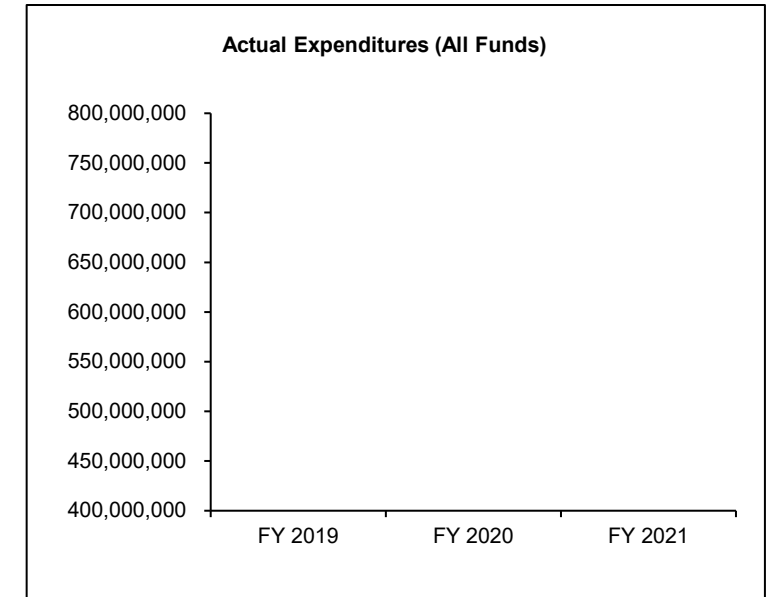
PACE

Department: Social Services
Division: MO HealthNet
Core: Programs for All-Inclusive Care for the Elderly (PACE)

Budget Unit: 90568C

HB Section: 11.715

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr
Appropriation (All Funds)	0	0	0	0
Less Reverted (All Funds)	0	0	0	0
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	0	0	0	0
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A
				(1)

Actual Expenditures (All Funds)

Chart y-axis values: 400,000,000 to 800,000,000 in increments of 50,000,000. X-axis: FY 2019, FY 2020, FY 2021.

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
(1) FY22 - Funding for this program is currently found under Physician-Related Services HB 11.715.

DEPARTMENT OF SOCIAL SERVICES
PACE

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
DEPARTMENT CORE ADJUSTMENTS								
Core Reallocation	1270 4423	PD	0.00	0	2,910,151	0	2,910,151	Reallocation from Physician.
Core Reallocation	1270 4422	PD	0.00	1,475,248	0	0	1,475,248	Reallocation from Physician.
NET DEPARTMENT CHANGES			**0.00**	**1,475,248**	**2,910,151**	**0**	**4,385,399**	
DEPARTMENT CORE REQUEST								
		PD	0.00	1,475,248	2,910,151	0	4,385,399	
		Total	**0.00**	**1,475,248**	**2,910,151**	**0**	**4,385,399**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	1,475,248	2,910,151	0	4,385,399	
		Total	**0.00**	**1,475,248**	**2,910,151**	**0**	**4,385,399**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PACE								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,475,248	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	2,910,151	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	4,385,399	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**4,385,399**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$4,385,399**	**0.00**	**$0**	**0.00**

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Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PACE								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,385,399	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**4,385,399**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$4,385,399**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,475,248**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$2,910,151**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Programs for All-Inclusive Care for the Elderly (PACE)
Program is found in the following core budget(s): Physicians

HB Section(s):   11.715

1a. What strategic priority does this program address?

Programs for All-Inclusive Care for the Elderly (PACE)

1b. What does this program do?

The Program of All-Inclusive Care for the Elderly (PACE) provides a full range of preventive, primary, acute, in-home, and long-term care services. The PACE organization is authorized by CMS and MO HealthNet (MHD) to provide PACE services primarily through the PACE center, which is open Monday through Friday 8 AM to 5 PM to offer services on-site in an adult day health center setting. Services are provided as deemed necessary via a health assessment by the PACE Interdisciplinary Team (IDT). All medical services authorized and delivered to the participant while enrolled in the PACE program are the financial responsibility of the PACE provider.

PACE combines adult day settings, home care, interdisciplinary teams, transportation systems, and capitated payment systems so that providers can respond to the unique needs of each participant served.

The Missouri Department of Social Services, MO HealthNet Division, is the state administering agency for the PACE program.

To be eligible to enroll in the PACE program, participants must be at least 55 years old, live in the PACE service area, have been certified to meet nursing home level of care, and at the time of enrollment be able to live in a community setting without jeopardizing his or her health or safety.

Enrollment in the PACE program is always voluntary and participants have the option to return to the fee-for-service system at any time. Eligibility to enroll in the PACE program is not restricted to Medicare beneficiaries or MO HealthNet participants. A potential PACE enrollee may, but is not required to be entitled to Medicare Part A, enrolled under Medicare Part B, or eligible for MO HealthNet.

PROGRAM DESCRIPTION

Department: Social Services **HB Section(s):** **11.715**
Program Name: Programs for All-Inclusive Care for the Elderly (PACE)
Program is found in the following core budget(s): Physicians

2a.	Provide an activity measure for the program.

This is a new program and MHD will have updated measures once a full year of data is available. Outcome measures will include the number of participants enrolled in PACE (users will include MO HealthNet eligibles and dual eligible participants).

2b.	Provide a measure of the program's quality.

This is a new program and MHD will have updated measures once a full year of data is available. Outcome measures will include PACE participant satisfaction (overall quality of care).

2c.	Provide a measure of the program's impact.

This is a new program and MHD will have updated measures once a full year of data is available. Outcome measures will include PACE participant satisfaction (percentage of participants who felt they participated in decisions about their care).

2d.	Provide a measure of the program's efficiency.

This is a new program and MHD will have updated measures once a full year of data is available. Outcome measures will include PACE participant satisfaction (percentage of participants who would recommend PACE to others).
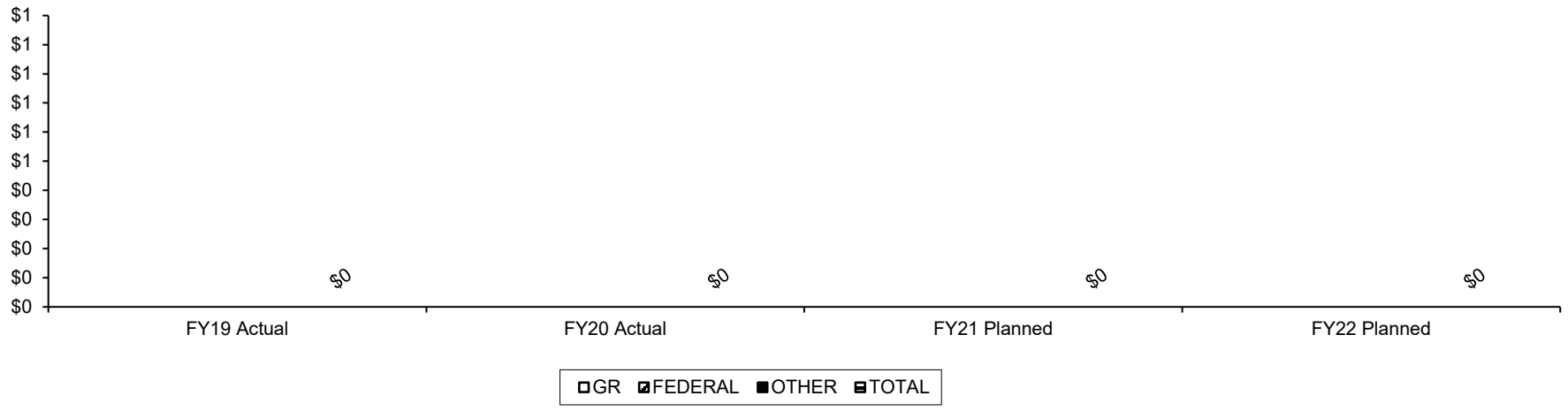
PROGRAM DESCRIPTION

Department: Social Services
Program Name: Programs for All-Inclusive Care for the Elderly (PACE)
Program is found in the following core budget(s): Physicians

HB Section(s): **11.715**

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3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	FY19 Actual	FY20 Actual	FY21 Planned	FY22 Planned
	$0	$0	$0	$0

☐GR ☑FEDERAL ■OTHER ▣TOTAL

In FY 2022, PACE expenditures will be paid from Physician Related Services (HB 11.715).

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4. What are the sources of the "Other " funds?

N/A

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Federal Regulations: 42 CFR, 447.272.

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6. Are there federal matching requirements? If yes, please explain.

The FMAP (Federal Medical Assistance Percentage) fluctuates annually based on state and national economic and population data, but generally the state matching requirement is around 35% and the federal match is around 65%.

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7. Is this a federally mandated program? If yes, please explain.

No.

Core - CCBHO

CORE DECISION ITEM

Department: Social Services   **Budget Unit:**   **90600C**
Division: MO HealthNet
Core: Certified Community Behavioral Health Organizations (CCBHO)   **HB Section:**   **11.715**

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0	**PS**	0	0	0	0
EE	0	0	0	0	**EE**	0	0	0	0
PSD	19,421,589	56,561,052	0	75,982,641	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**19,421,589**	**56,561,052**	**0**	**75,982,641**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**	**0.00**	**0.00**	**0.00**	**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A

Other Funds:

2. CORE DESCRIPTION

This item funds physician-related services provided to Certified Community Behavioral Health Organizations (CCBHOs).

3. PROGRAM LISTING (list programs included in this core funding)
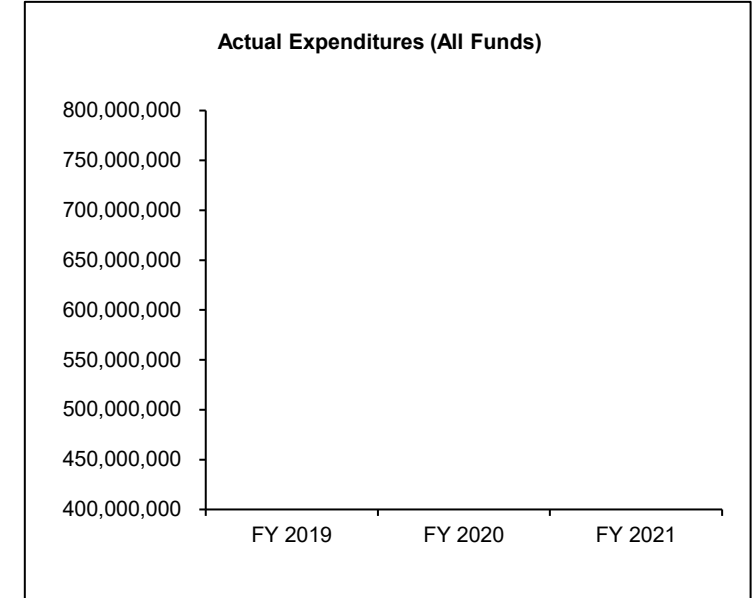
CCBHO

Department: Social Services
Division: MO HealthNet
Core: Certified Community Behavioral Health Organizations (CCBHO)

Budget Unit: **90600C**

HB Section: **11.715**

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr
Appropriation (All Funds)	0	0	0	91,203,073
Less Reverted (All Funds)	0	0	0	0
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	0	0	0	91,203,073
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A

Actual Expenditures (All Funds)

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
Appropriation was established in FY22.

DEPARTMENT OF SOCIAL SERVICES
CCBHO

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	24,595,014	66,608,059	0	91,203,073	
	Total	**0.00**	**24,595,014**	**66,608,059**	**0**	**91,203,073**	
DEPARTMENT CORE ADJUSTMENTS							
Core Reallocation 1272 7590	PD	0.00	0	(10,047,007)	0	(10,047,007)	Reallocating to Managed Care for Behavioral Health Carve-in.
Core Reallocation 1272 7589	PD	0.00	(5,173,425)	0	0	(5,173,425)	Reallocating to Managed Care for Behavioral Health Carve-in.
NET DEPARTMENT CHANGES		**0.00**	**(5,173,425)**	**(10,047,007)**	**0**	**(15,220,432)**	
DEPARTMENT CORE REQUEST							
	PD	0.00	19,421,589	56,561,052	0	75,982,641	
	Total	**0.00**	**19,421,589**	**56,561,052**	**0**	**75,982,641**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	19,421,589	56,561,052	0	75,982,641	
	Total	**0.00**	**19,421,589**	**56,561,052**	**0**	**75,982,641**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
CCBHO								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	24,595,014	0.00	19,421,589	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	66,608,059	0.00	56,561,052	0.00	0	0.00
TOTAL - PD	0	0.00	91,203,073	0.00	75,982,641	0.00	0	0.00
TOTAL	**0**	**0.00**	**91,203,073**	**0.00**	**75,982,641**	**0.00**	**0**	**0.00**
MHD CTC - 1886029								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	12,307,255	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	35,693,774	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	48,001,029	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**48,001,029**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$91,203,073**	**0.00**	**$123,983,670**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
CCBHO								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	91,203,073	0.00	75,982,641	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**91,203,073**	**0.00**	**75,982,641**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$91,203,073**	**0.00**	**$75,982,641**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$24,595,014**	**0.00**	**$19,421,589**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$66,608,059**	**0.00**	**$56,561,052**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.715**
Program Name: Certified Community Behavioral Health Organizations (CCBHO)
Program is found in the following core budget(s): Physicians

1a. What strategic priority does this program address?

Certified Community Behavioral Health Organizations

1b. What does this program do?

Missouri is one of eight states selected by the federal Centers for Medicare & Medicaid Services (CMS) and Substance Abuse and Mental Health Services Administration (SAMHSA) to participate in a demonstration program to implement a Prospective Payment System (PPS) for the purchase of behavioral health services for certain Medicaid beneficiaries. The PPS is an actuarially sound, cost-based reimbursement method that replaces the current Medicaid fee-for-service system, which provides reimbursement for individual units of community service provided. Under the demonstration program, community behavioral health organizations recognized by the Department of Mental Health (DMH) as in substantial compliance with new federal standards for Certified Community Behavioral Health Organizations (CCBHOs) receive a single, fixed payment amount for each day that they provide eligible CCBHO services to a Medicaid-eligible individual.

A key feature of the CCBHO initiative is a focus on quality and outcomes. The CCBHOs are required to report on a variety of different outcome measures in a pay-for-performance model. This core funding allows to further shift toward paying for quality versus paying for volume in Medicaid. The six measures currently included in the Medicaid state plan Quality Incentive Payment include: Youth Hospital Follow-Up; Adult Hospital Follow-Up; Antipsychotic Medication Adherence; Engagement in Substance Use Disorder Treatment; Youth Suicide Risk Assessment; and Adult Suicide Risk Assessment.

CCBHO Expenditures paid from MO HealthNet's Budget (HB Section: 11.715)

FY19 Actual: $ 59,299,999
FY20 Actual: $ 60,189,500
FY21 Actual: $ 86,364,449
FY22 Projected: $ 87,564,449

The Disease Management 3700 project have assured the coordination of physical and behavioral health services to individuals with serious health mental illness. The results are improved health outcomes and lower healthcare costs.

Disease Management Expenditures paid from MO HealthNet's Budget (HB Section: 11.715)

FY19 Actual: $ 13,044,083
FY20 Actual: $ 14,011,710
FY21 Actual: $ 15,955,697
FY22 Projected: $ 18,563,703

*See DMH's Budget Books for specific measures for CCBHO and DM programs.
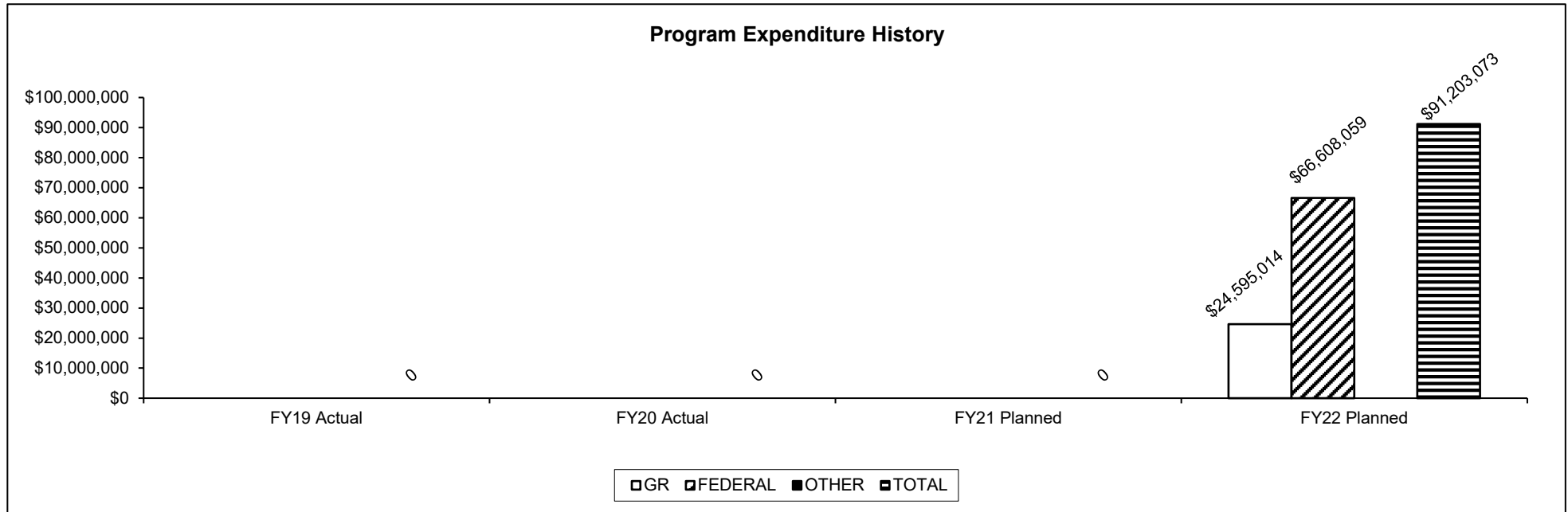
PROGRAM DESCRIPTION

Department: Social Services
Program Name: Certified Community Behavioral Health Organizations (CCBHO)
Program is found in the following core budget(s): Physicians

HB Section(s):   **11.715**

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3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	FY19 Actual	FY20 Actual	FY21 Planned	FY22 Planned
GR				$24,595,014
FEDERAL				$66,608,059
TOTAL	0	0	0	$91,203,073

Legend: GR, FEDERAL, OTHER, TOTAL

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4. What are the sources of the "Other " funds?

N/A

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Federal Regulations: 42 CFR, 447.272.

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6. Are there federal matching requirements? If yes, please explain.

The FMAP (Federal Medical Assistance Percentage) fluctuates annually based on state and national economic and population data, but generally the state matching requirement is around 35% and the federal match is around 65%.

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7. Is this a federally mandated program? If yes, please explain.

No.

Core - Dental

CORE DECISION ITEM

Department: Social Services   **Budget Unit:**   **90546C**
Division: MO HealthNet
Core: Dental   **HB Section:**   **11.720**

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS	0	0	0	0	**PS**	0	0	0	0
EE	0	0	0	0	**EE**	0	0	0	0
PSD	1,092,243	2,333,282	71,162	3,496,687	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**1,092,243**	**2,333,282**	**71,162**	**3,496,687**	**Total**	**0**	**0**	**0**	**0**
FTE	0.00	0.00	0.00	0.00	**FTE**	0.00	0.00	0.00	0.00

Est. Fringe	0	0	0	0	***Est. Fringe***	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275) - $71,162

Other Funds:

2. CORE DESCRIPTION

This budget item funds the dental fee-for-service program. Comprehensive dental services are available for children, pregnant women, the blind and nursing facility residents (including Independent Care Facilities for individuals with Intellectual Disabilities-ICF/ID). As of January 2016, MO HealthNet began offering limited dental services for adults ages 21 and over.

3. PROGRAM LISTING (list programs included in this core funding)

Dental Services

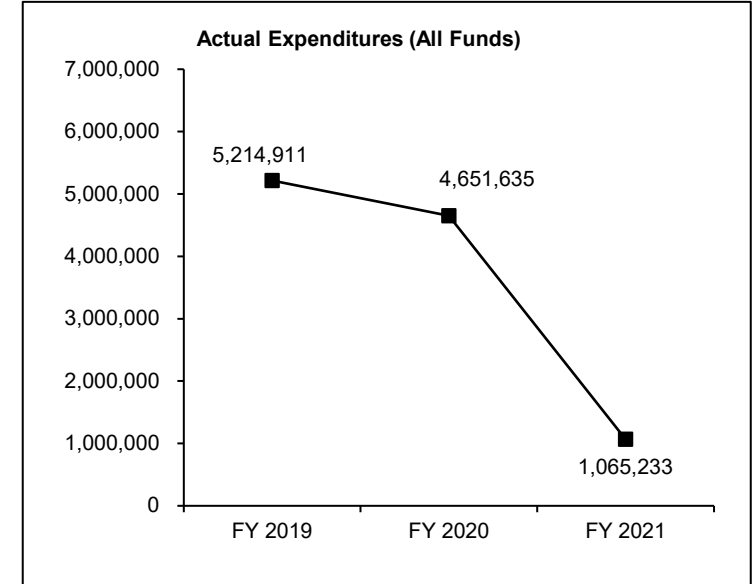**Department: Social Services**
Division: MO HealthNet
Core: Dental

Budget Unit: 90546C

HB Section: 11.720

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr.
Appropriation (All Funds)	6,130,771	5,627,777	4,913,546	3,496,687
Less Reverted (All Funds)	0	0	0	0
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	6,130,771	5,627,777	4,913,546	3,496,687
Actual Expenditures (All Funds)	5,214,911	4,651,635	1,065,233	N/A
Unexpended (All Funds)	915,860	976,142	3,848,313	N/A
Unexpended, by Fund:				
General Revenue	0	282,077	1,050,661	N/A
Federal	351,989	694,065	2,797,585	N/A
Other	563,871	0	67	N/A
	(1)		(2)	

Actual Expenditures (All Funds)

*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
(1) FY19 - $704,183 GR was flexed in to cover program expenditures. $563,781 was held in Agency Reserve in the Healthy Families Trust Fund (0625).
(2) FY21 - $500,000 GR was used as flex to cover other program expenditures.

DEPARTMENT OF SOCIAL SERVICES
DENTAL

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	1,092,243	2,333,282	71,162	3,496,687	
	Total	**0.00**	**1,092,243**	**2,333,282**	**71,162**	**3,496,687**	
DEPARTMENT CORE REQUEST							
	PD	0.00	1,092,243	2,333,282	71,162	3,496,687	
	Total	**0.00**	**1,092,243**	**2,333,282**	**71,162**	**3,496,687**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	1,092,243	2,333,282	71,162	3,496,687	
	Total	**0.00**	**1,092,243**	**2,333,282**	**71,162**	**3,496,687**	

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
DENTAL								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	221,961	0.00	1,092,243	0.00	1,092,243	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	772,177	0.00	2,333,282	0.00	2,333,282	0.00	0	0.00
HEALTH INITIATIVES	71,095	0.00	71,162	0.00	71,162	0.00	0	0.00
TOTAL - PD	1,065,233	0.00	3,496,687	0.00	3,496,687	0.00	0	0.00
TOTAL	**1,065,233**	**0.00**	**3,496,687**	**0.00**	**3,496,687**	**0.00**	**0**	**0.00**
MHD CTC - 1886029								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	294,718	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	536,947	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	831,665	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**831,665**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$1,065,233**	**0.00**	**$3,496,687**	**0.00**	**$4,328,352**	**0.00**	**$0**	**0.00**

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90546C BUDGET UNIT NAME: Dental HOUSE BILL SECTION: 11.720	DEPARTMENT: Social Services DIVISION: MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

<div align="center">Department Request</div>

10% flexibility is requested between sections 11.700 (Pharmacy and Clawback), 11.715 (Physician Related Prof), 11.720 (Dental), 11.725 (Premium Payments), 11.730 (Nursing Facilities and Home Health), 11.745 (Rehab Specialty Services and NEMT), 11.755 (Complex Rehab), 11.760 (Managed Care), 11.765 (Hospital Care), 11.785 (Health Homes), 11.800 (CHIP), 11.805 (SMHB), 11.815 (Blind).

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
$500,000	DSS will flex up to 10% between sections.	Up to 10% flexibility will be used.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
To allow for program payments in Managed Care.	Flexibility allows for MHD to move authority between program sections to ensure bi-monthly payroll obligations are met and services continue to be provided without disruption or delay. Flex allows MHD to shift authority in sections to sections where there is need.

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
DENTAL								
CORE								
PROGRAM DISTRIBUTIONS	1,065,233	0.00	3,496,687	0.00	3,496,687	0.00	0	0.00
TOTAL - PD	**1,065,233**	**0.00**	**3,496,687**	**0.00**	**3,496,687**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$1,065,233**	**0.00**	**$3,496,687**	**0.00**	**$3,496,687**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$221,961	0.00	$1,092,243	0.00	$1,092,243	0.00		0.00
FEDERAL FUNDS	$772,177	0.00	$2,333,282	0.00	$2,333,282	0.00		0.00
OTHER FUNDS	$71,095	0.00	$71,162	0.00	$71,162	0.00		0.00

PROGRAM DESCRIPTION

Department: Social Services HB Section(s): 11.720
Program Name: Dental Program
Program is found in the following core budget(s): Dental

1a. What strategic priority does this program address?

Provide quality dental care access to MO HealthNet participants

1b. What does this program do?

The MO HealthNet Division's (MHD) dental program reimburses for services that include diagnostic, preventive, and corrective procedures provided by a licensed dentist or dental hygienist. The dentist must be enrolled in the MO HealthNet program. Generally, dental services include the following:

- Treatment of the teeth and associated structure of the oral cavity;
- Preparation, fitting, and repair of dentures and associated appliances; and
- Treatment of disease, injury, or impairments that affect the general oral health of a participant.

MO HealthNet currently offers comprehensive dental services for children, pregnant women, the blind, and residents of a Nursing Facility or Intermediate Care Facility/Intellectual Disability (ICF/ID). Coverage for adults is limited and includes dental services and care related to trauma of the mouth, jaw, teeth, or other contiguous sites. Services provided under tiers 1-6 are outlined below.

MHD attempts to improve the overall health of MO HealthNet participants by improving oral health through reimbursement for their diagnostic, preventative, and corrective dental services. Additionally, MHD attempts to ensure MO HealthNet eligible children have access to dental screenings and Early and Periodic Screening Diagnosis and Treatment (EPSDT) services, also known as the Healthy Children and Youth (HCY) program.

Reimbursement Methodology

Dental services are reimbursed in the fee-for-service and managed care settings. For managed care participants, dental services are reimbursed by MO HealthNet through the actuarially sound capitated rate paid to the Managed Care Organizations (MCO's). Dental rates are reimbursed for fee-for-service claims based on maximum allowable amounts identified on a fee schedule. Prior authorization is required in the fee-for-service program for certain services such as orthodontic treatment, composite resin crowns, metallic and porcelain/ceramic inlay restorations, and high noble metal crowns. The services of a dentist may be administered in a variety of settings including the provider's office, a hospital, nursing home, or clinic. If dental services are billed by a rural health clinic (RHC) or federally qualified health center (FQHC), the reimbursement methodology is different and would be paid out of the Physician-Related Services line (see Physician tab for more information). Services rendered by a dental hygienist are typically billed by the dentist. However, certain dental hygienists who have been licensed for at least three consecutive years and practicing in a public health setting may bill independently.

Services rendered by someone other than a dentist or dental hygienist, including appropriate supplies, are billable only where there is direct personal supervision by the dentist. This applies to services rendered by auxiliary personnel employed by the dentist and working under his/her on-site supervision and is restricted to non-physician anesthetists (including Certified Registered Nurse Anesthetists and Anesthesiologist Assistants), dental assistants, and certified dental assistants.

PROGRAM DESCRIPTION

Department: Social Services   HB Section(s):   11.720
Program Name: Dental Program
Program is found in the following core budget(s): Dental

Rate History

07/01/19: 1.5% rate increase on all covered services
07/01/18: 1.5% rate increase on all covered services
07/01/17: 3% rate decrease on all covered services
07/01/16: ~2% rate increase on all covered services
01/01/16: 1% rate increase on all covered services

Additional Details

For children under 21, pregnant women, the blind, and nursing facility residents (including ICF/ID), covered services under the dental program include, in part, the following: examinations, fillings, sealants, prophylaxis, fluoride treatments, extractions, anesthesia, crowns, injections, oral surgery, periodontal treatment (in limited cases), pulp treatment, restoration, root canal therapy, x-rays, dentures (full or partial), denture adjustments or repairs, and denture duplication or relines. Orthodontic services, the field of dentistry associated with the correction of abnormally positioned or misaligned teeth, are available only to children under age 21 for the most severe malocclusions.
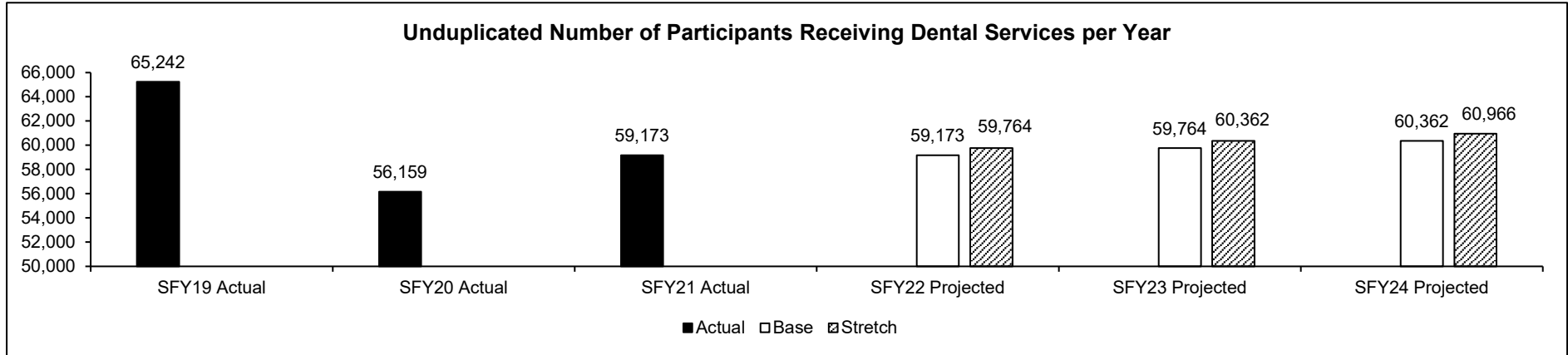
Coverage for adults for dental services in tiers 1-6 was added effective January 2016. Expanded coverage of dental services for adults in Missouri include preventive services, restorative services, periodontal treatment, oral surgery, extractions, radiographs, pain evaluation and relief, infection control and general anesthesia. Prior to January 2016, MO HealthNet only covered dental services for adults age 21 and over (except individuals noted above) if the dental care was related to trauma of the mouth, jaw, teeth or other contiguous sites as a result of injury, or for the treatment of a medical condition without which the health of the individual would be adversely affected. Treatment for such a medical condition would require a written referral from the participant's physician stating that the absence of dental treatment would adversely affect a stated pre-existing medical condition.

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):   11.720**
Program Name: Dental Program
Program is found in the following core budget(s): Dental

2a.   Provide an activity measure(s) for the program.

Unduplicated Number of Participants Receiving Dental Services per Year

	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
Actual	65,242	56,159	59,173			
Base				59,173	59,764	60,362
Stretch				59,764	60,362	60,966

■Actual □Base ▨Stretch

The SFY20 number is significantly lower due to COVID-19 and dental offices being closed for a period of time.

2b. Provide a measure(s) of the program's quality.

Percentage of MHD - Enrolled Dentists vs Total Number of MO Licensed Dentists

	CY18 Actual	CY19 Actual	CY20 Actual	CY21 Projected	CY22 Projected	CY23 Projected
Actual	26%	26%	27%			
Base				28%	29%	30%
Stretch				43%	43%	43%

■Actual □Base ▨Stretch

*Stretch goal is based on the National average of dentists enrolled in Medicaid programs.

241

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.720**
Program Name: Dental Program
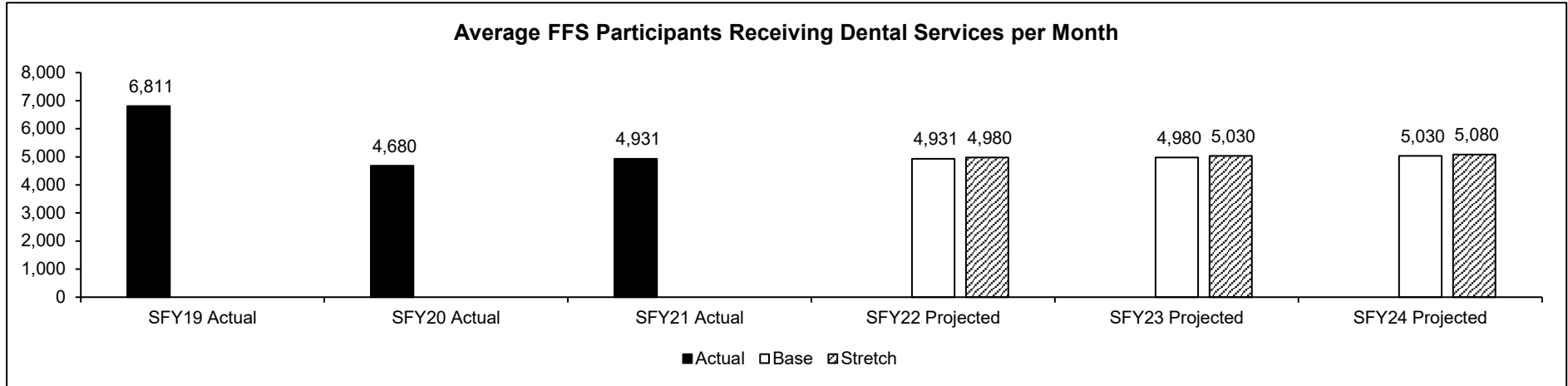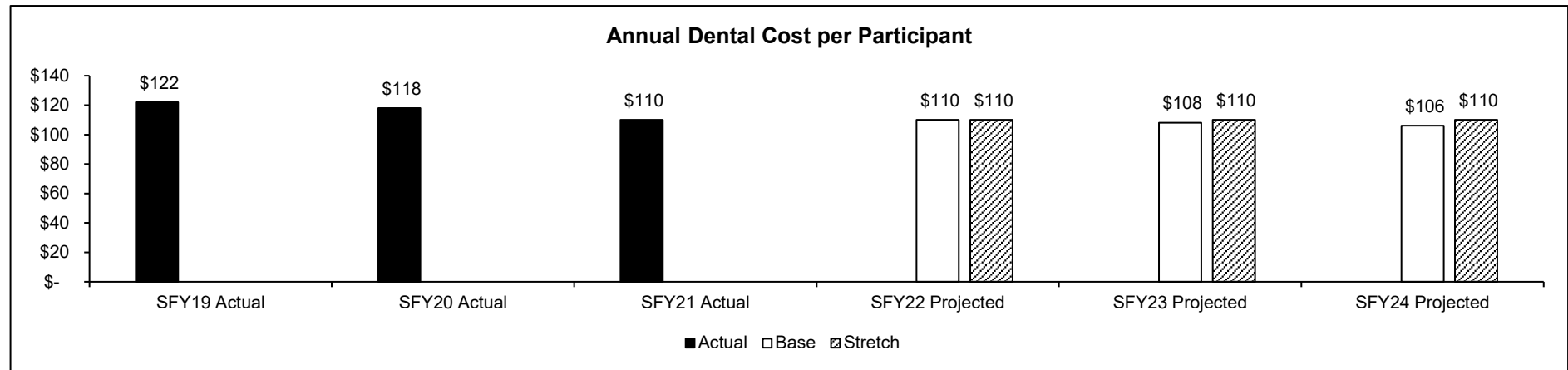**Program is found in the following core budget(s): Dental**

2c.   Provide a measure(s) of the program's impact.

Average FFS Participants Receiving Dental Services per Month

	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
Actual	6,811	4,680	4,931			
Base				4,931	4,980	5,030
Stretch				4,980	5,030	5,080

■Actual □Base ☒Stretch

The SFY20 number is significantly lower due to COVID-19 and dental offices being closed for a period of time.

2d.   Provide a measure(s) of the program's efficiency.

Annual Dental Cost per Participant

	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
Actual	$122	$118	$110			
Base				$110	$108	$106
Stretch				$110	$110	$110

■Actual □Base ☒Stretch
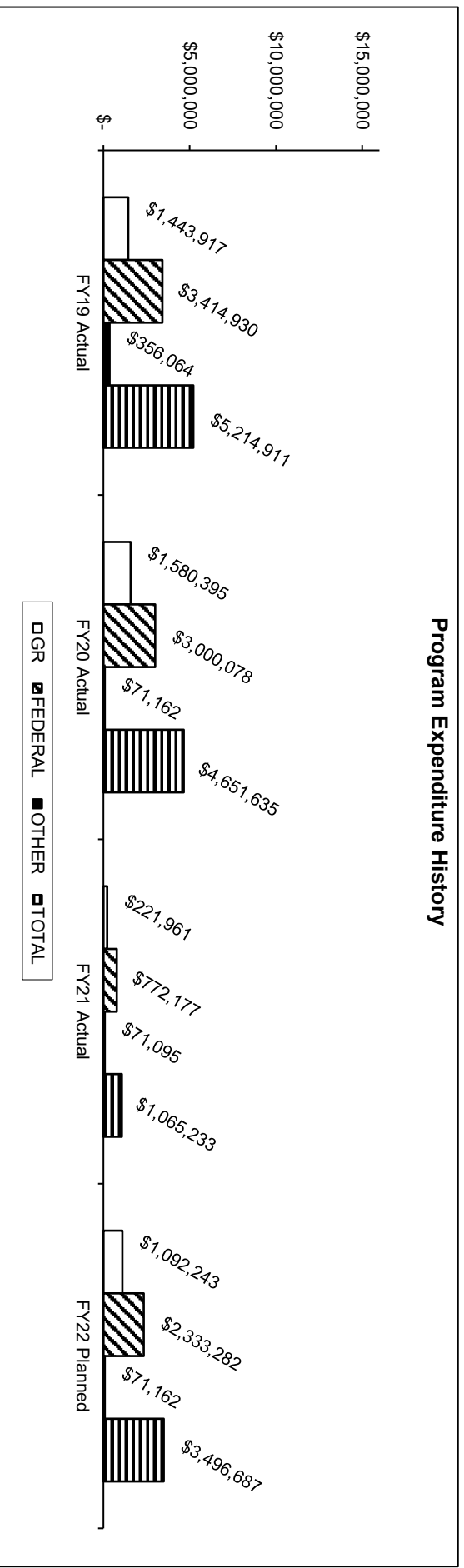
PROGRAM DESCRIPTION

Department: Social Services

Program Name: Dental Program

Program is found in the following core budget(s): Dental

HB Section(s): 11.720

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3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (*Note: Amounts do not include* fringe benefit costs.)

Program Expenditure History

FY19 Actual: $1,443,917; $3,414,930; $356,064; $5,214,911

FY20 Actual: $1,580,395; $3,000,078; $71,162; $4,651,635

FY21 Actual: $221,961; $772,177; $71,095; $1,065,233

FY22 Planned: $1,092,243; $2,333,282; $71,162; $3,496,687

Legend: □ GR ☑ FEDERAL ■ OTHER □ TOTAL

Y-axis: $-, $5,000,000, $10,000,000, $15,000,000

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4. What are the sources of the "Other" funds?

Health Initiatives Fund (0275), Nursing Facility Reimbursement Allowance Fund (0196), Ambulance Service Reimbursement Allowance Fund (0958)

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5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Section 208.152, RSMo. Federal law: Social Security Act Section 1905(a)(12) and (18), 1905(o). Federal regulation: 42 CFR 410.40, 418, 431.53, 440.60, 440.120, 440.130 and 440.170.

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6. Are there federal matching requirements? If yes, please explain.

The FMAP (Federal Medical Assistance Percentage) fluctuates annually based on state and national economic and population data, but generally the state matching requirement is around 35% and the federal match is around 65%.

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7. Is this a federally mandated program? If yes, please explain.

This program is not mandatory for adults but is mandatory for children.

243

Core - Premium Payments

CORE DECISION ITEM

Department: Social Services   **Budget Unit:**   **90547C**
Division: MO HealthNet
Core: Premium Payments   **HB Section:**   **11.725**

1. CORE FINANCIAL SUMMARY

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0	**PS**	0	0	0	0
EE	0	0	0	0	**EE**	0	0	0	0
PSD	89,302,290	190,770,659	0	280,072,949	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**89,302,290**	**190,770,659**	**0**	**280,072,949**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**	**0.00**	**0.00**	**0.00**	**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A   Other Funds:

2. CORE DESCRIPTION

This item funds premium payments for health insurance through the following MO HealthNet programs:
  1) Medicare Buy-In program for individuals dually enrolled in MO HealthNet and Medicare
  2) Health Insurance Premium Payment (HIPP) program for individuals enrolled in MO HealthNet and commercial or employer-sponsored health insurance
Payment of these premiums allows MO HealthNet to transfer medical costs from the MO HealthNet program to Medicare and other payers.

3. PROGRAM LISTING (list programs included in this core funding)

Premium Payments Program:
Medicare Part A and Part B Buy-In
Health Insurance Premium Payment (HIPP) Program

CORE DECISION ITEM

Department: Social Services　　　　　　　　　　　　　　　　　　　　**Budget Unit:**　　　**90547C**
Division: MO HealthNet
Core: Premium Payments　　　　　　　　　　　　　　　　　　　　　　**HB Section:**　　　**11.725**

4. FINANCIAL HISTORY

	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Current Yr.
Appropriation (All Funds)	259,472,644	263,788,919	288,113,252	294,287,207
Less Reverted (All Funds)	0	0	0	0
Less Restricted (All Funds)	0	0	0	0
Budget Authority (All Funds)	259,472,644	263,788,919	288,113,252	294,287,207
Actual Expenditures (All Funds)	250,996,235	242,879,325	288,112,941	N/A
Unexpended (All Funds)	8,476,409	20,909,594	311	N/A
Unexpended, by Fund:				
General Revenue	2	6,351,243	110	N/A
Federal	8,476,407	14,558,351	201	N/A
Other	0	0	0	N/A
	(1)		(2)	

Actual Expenditures (All Funds)

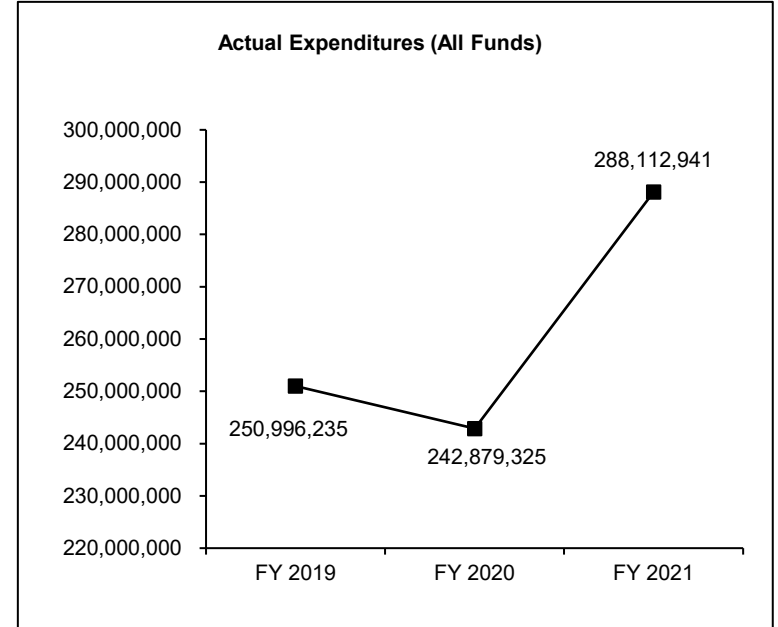*Current Year restricted amount is as of 9/1/2021.

Reverted includes statutory reserve amounts (when applicable).
Restricted includes Governor's expenditure restrictions which remained at the end of the fiscal year.

NOTES:
(1) FY19 - $4,567,606 GR was used as flex to cover other program expenditures.
(2) FY21 - $594,458 GR and $915,052 Fed was flexed in to cover program expenditures.

DEPARTMENT OF SOCIAL SERVICES
PREMIUM PAYMENTS

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	94,926,195	199,361,012	0	294,287,207	
		Total	**0.00**	**94,926,195**	**199,361,012**	**0**	**294,287,207**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	1187 8201	PD	0.00	0	(8,590,353)	0	(8,590,353)	Reduction due to estimated lapse.
Core Reduction	1187 8200	PD	0.00	(5,623,905)	0	0	(5,623,905)	Reduction due to estimated lapse.
NET DEPARTMENT CHANGES			**0.00**	**(5,623,905)**	**(8,590,353)**	**0**	**(14,214,258)**	
DEPARTMENT CORE REQUEST								
		PD	0.00	89,302,290	190,770,659	0	280,072,949	
		Total	**0.00**	**89,302,290**	**190,770,659**	**0**	**280,072,949**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	89,302,290	190,770,659	0	280,072,949	
		Total	**0.00**	**89,302,290**	**190,770,659**	**0**	**280,072,949**	

Budget Unit Decision Item Budget Object Summary Fund	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PREMIUM PAYMENTS								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	94,879,311	0.00	94,926,195	0.00	89,302,290	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	193,233,630	0.00	199,361,012	0.00	190,770,659	0.00	0	0.00
TOTAL - PD	288,112,941	0.00	294,287,207	0.00	280,072,949	0.00	0	0.00
TOTAL	**288,112,941**	**0.00**	**294,287,207**	**0.00**	**280,072,949**	**0.00**	**0**	**0.00**
Premium Increase - 1886031								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	5,739,018	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	12,343,482	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	18,082,500	0.00	0	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**18,082,500**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$288,112,941**	**0.00**	**$294,287,207**	**0.00**	**$298,155,449**	**0.00**	**$0**	**0.00**

FLEXIBILITY REQUEST FORM

BUDGET UNIT NUMBER: 90547C	DEPARTMENT: Social Services
BUDGET UNIT NAME: Premium Payments	
HOUSE BILL SECTION: 11.725	DIVISION: MO HealthNet

1. Provide the amount by fund of personal service flexibility and the amount by fund of expense and equipment flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed. If flexibility is being requested among divisions, provide the amount by fund of flexibility you are requesting in dollar and percentage terms and explain why the flexibility is needed.

Department Request

10% flexibility is requested between sections 11.700 (Pharmacy and Clawback), 11.715 (Physician Related Prof), 11.720 (Dental), 11.725 (Premium Payments), 11.730 (Nursing Facilities and Home Health), 11.745 (Rehab Specialty Services and NEMT), 11.755 (Complex Rehab), 11.760 (Managed Care), 11.765 (Hospital Care), 11.785 (Health Homes), 11.800 (CHIP), 11.805 (SMHB), 11.815 (Blind).

2. Estimate how much flexibility will be used for the budget year. How much flexibility was used in the Prior Year Budget and the Current Year Budget? Please specify the amount.

PRIOR YEAR ACTUAL AMOUNT OF FLEXIBILITY USED	CURRENT YEAR ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED	BUDGET REQUEST ESTIMATED AMOUNT OF FLEXIBILITY THAT WILL BE USED
$0	DSS will flex up to 10% between sections.	Up to 10% flexibility will be used.

3. Please explain how flexibility was used in the prior and/or current years.

PRIOR YEAR EXPLAIN ACTUAL USE	CURRENT YEAR EXPLAIN PLANNED USE
N/A	Flexibility allows for MHD to move authority between program sections to ensure bi-monthly payroll obligations are met and services continue to be provided without disruption or delay. Flex allows MHD to shift authority in sections to sections where there is need.

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PREMIUM PAYMENTS								
CORE								
PROGRAM DISTRIBUTIONS	288,112,941	0.00	294,287,207	0.00	280,072,949	0.00	0	0.00
TOTAL - PD	**288,112,941**	**0.00**	**294,287,207**	**0.00**	**280,072,949**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$288,112,941**	**0.00**	**$294,287,207**	**0.00**	**$280,072,949**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	$94,879,311	0.00	$94,926,195	0.00	$89,302,290	0.00		0.00
FEDERAL FUNDS	$193,233,630	0.00	$199,361,012	0.00	$190,770,659	0.00		0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00		0.00

Department: Social Services   HB Section(s):   11.725
Program Name: Premium Payments
Program is found in the following core budget(s): Premium Payments

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1a. What strategic priority does this program address?

Cost avoidance by paying Medicare and Private Insurance Premiums

1b. What does this program do?

The purpose of the Medicare Buy-in Program and the Health Insurance Premium Payment (HIPP) Program is to allow states to enroll certain groups of eligible individuals in Medicare or private insurance and pay their monthly premiums to transfer medical costs from the Title XIX Medicaid program to the Medicare program - Title XVIII or other payers. This process allows the state to realize cost savings through substitution of Medicare or other payer liability for the majority of the medical costs before a provider may seek reimbursement for the remaining uncompensated portion of the services.

Medicare Buy-In Program

Medicare has three sets of basic coverage:

  • Part A, which pays for hospitalization costs
  • Part B, which pays for physician services, lab and x-ray services, durable medical equipment, and outpatient and other services
  • Part D which provides coverage of prescription drug costs (see MORx tab for additional information on Part D)

The Medicare Buy-In Program assists "dual eligible" individuals, who are entitled to Medicare Part A and/or Part B and are eligible for some form of MO HealthNet benefit, by reducing their out-of-pocket expenses. There are two types of dual eligible—full duals and partial duals. For partial duals, MO HealthNet only funds the Medicare Part A and/or Part B premium. For full duals MO HealthNet funds the Medicare Part A and/or Part B premium and the participant receives MO HealthNet "wrap-around" benefits. Wrap-around benefits include payments for Medicare coinsurance, Medicare deductibles, and any other service not covered by Medicare. *For more information on dual eligibility categories, see Additional Details* .

Health Insurance Premium Payment (HIPP) Program

States are federally mandated to purchase group health insurance (such as employer-sponsored insurance) for an eligible MO HealthNet participant when it is more cost-effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO HealthNet funds (Omnibus Budget Reconciliation Act of 1990). The HIPP program pays for health insurance for MO HealthNet eligible when it is determined to be "cost effective." "Cost effective" means that it costs less to buy other health insurance to cover medical care than to pay for the same services with MO HealthNet funds. *See additional details for more information on how cost effectiveness is determined.*

Reimbursement Methodology

Medicare and private insurance premiums are paid monthly. Payment is made directly to Medicare for the Medicare Buy-In Program or the private health insurer for the HIPP Program. Any MO HealthNet wrap-around payments (coinsurance, deductibles, or services not covered by Medicare) made on behalf of full dual eligibles is paid out of the applicable fee-for-service lines (Pharmacy, Physicians-Related Services, Hospital, etc.). These wrap-around payments for full dual eligibles are sometimes called "crossover claims."

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):   11.725**
Program Name: Premium Payments
Program is found in the following core budget(s): Premium Payments

Rate History

Medicare Part A, Part B, and Qualified Individual Premiums (per month)

	Part A	Part B & QI	
CY22			Will not be announced by CMS until around 11/21
CY21	$474.00	$148.50	
CY20	$458.00	$144.60	
CY19	$437.00	$135.50	
CY18	$422.00	$134.00	
CY17	$413.00	$134.00	
CY16	$411.00	$121.80	

Additional Details

HIPP Cost Effectiveness

Cost effectiveness is determined by comparing the cost of the medical coverage (includes premium payments, coinsurance, and deductibles) with the average cost of each MO HealthNet eligible person in the household. The average cost of each MO HealthNet participant is calculated based on the previous year's MO HealthNet expenditures with like demographic data: age; sex; geographic location (county); type of assistance (MO HealthNet for Families - MAF, Old Age Assistance - OAA, and disabled); and the types of services covered by the group insurance.

Full Dual Beneficiary Categories

Qualified Medicare Beneficiary (QMB) Plus:

- MO HealthNet pays Part A (if applicable) and Part B premiums
- Individuals below 100% FPL
- Includes MO HealthNet wrap-around benefits

Specified Low-Income Medicare Beneficiary (SLMB) Plus:

- MO HealthNet pays only Part B premiums
- Individuals from 100-120% FPL
- Includes MO HealthNet wrap-around benefits

PROGRAM DESCRIPTION

Department: Social Services   **HB Section(s):**   **11.725**
Program Name: Premium Payments
Program is found in the following core budget(s): Premium Payments

<u>Partial Dual Beneficiary Categories</u>

QMB Only:

- MO HealthNet pays both Part A (if applicable) and Part B premiums
- Individuals below 100% FPL
- No MO Health Net wrap-around benefits

SLMB Only:

- MO HealthNet pays only Part B premiums
- Individuals from 100-120% FPL
- No Medicaid wrap-around benefits

Qualified Individuals (QI):

- MO HealthNet pays only Part B premiums
- Individuals from 120-135% FPL
- Federal Funding 100%
- No MO HealthNet wrap-around benefits

Partial "Undesignated":

- Partial duals with income 135% FPL or greater
- Can include the following individuals:
  - Recipients of supplemental nursing care payments
  - SSI recipients
  - Individuals on spenddown

MO HealthNet pays only Part B premiums.
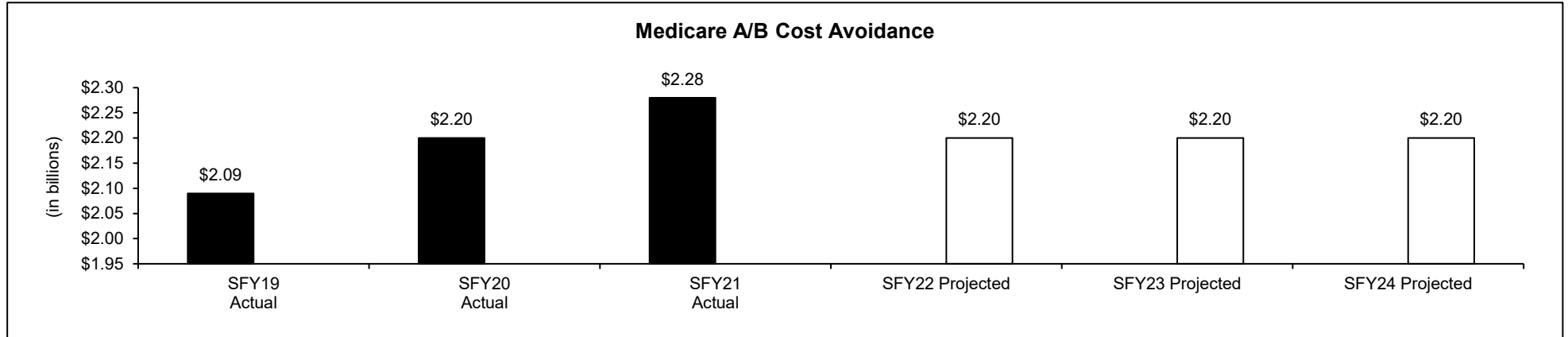Individuals receive full MO HealthNet benefits.
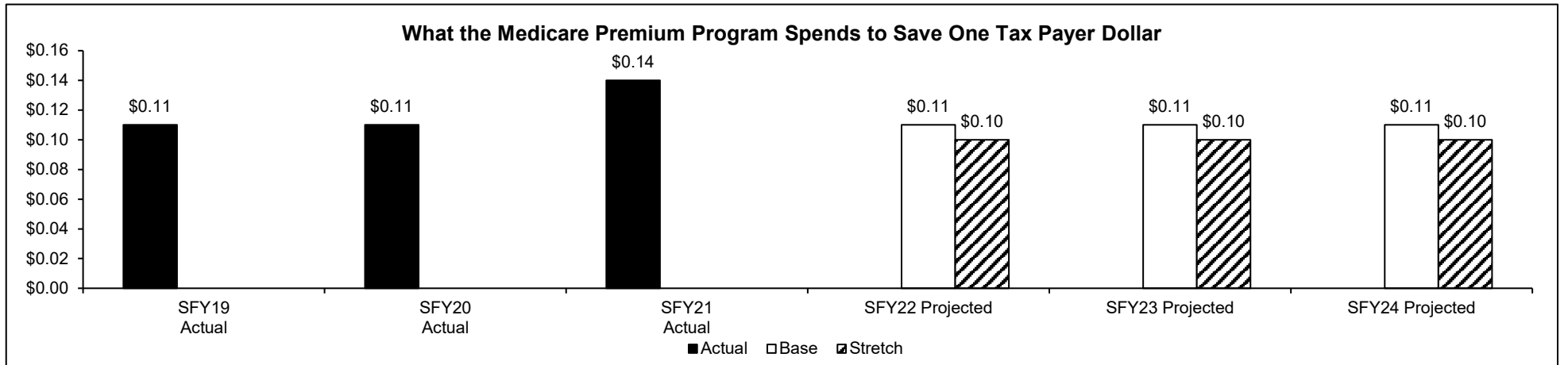
PROGRAM DESCRIPTION

Department: Social Services
Program Name: Premium Payments
Program is found in the following core budget(s): Premium Payments

HB Section(s): 11.725

2a. Provide an activity measure(s) for the program.

Medicare A/B Cost Avoidance

(in billions)

SFY19 Actual	$2.09
SFY20 Actual	$2.20
SFY21 Actual	$2.28
SFY22 Projected	$2.20
SFY23 Projected	$2.20
SFY24 Projected	$2.20

2b. Provide a measure(s) of the program's quality

What the Medicare Premium Program Spends to Save One Tax Payer Dollar

	Actual	Base	Stretch
SFY19 Actual	$0.11		
SFY20 Actual	$0.11		
SFY21 Actual	$0.14		
SFY22 Projected		$0.11	$0.10
SFY23 Projected		$0.11	$0.10
SFY24 Projected		$0.11	$0.10

■Actual □Base ▨Stretch

PROGRAM DESCRIPTION

Department: Social Services

HB Section(s): 11.725

Program Name: Premium Payments

Program is found in the following core budget(s): Premium Payments

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2c.   Provide a measure of the program's impact.

Number of Part A Participants Served (Hospital)

SFY	Value
SFY19 Actual	1,295
SFY20 Actual	1,307
SFY21 Actual	1,368
SFY22 Projected	1,395
SFY23 Projected	1,423
SFY24 Projected	1,452

Number of Part B and Q&I Participants Served (Medical)

SFY	Value
SFY19 Actual	142,534
SFY20 Actual	145,638
SFY21 Actual	151,729
SFY22 Projected	154,764
SFY23 Projected	157,859
SFY24 Projected	161,016

Number of Medicaid Participants Served by HIPP Program

SFY	Value
SFY19 Actual	1,754
SFY20 Actual	1,861
SFY21 Actual	1,894
SFY22 Projected	1,932
SFY23 Projected	1,932
SFY24 Projected	1,932

Participants:
Part A (Hospital) premium payments can be made for Qualified Medicare Beneficiaries (QMBs) and Qualified Disabled Working Individuals.
Part B (Medical) premium payments can be made for Individuals meeting certain income standards, QMBs, and Specified Low-Income Medicare Beneficiaries.
HIPP: Provisions of OBRA 90 require states to purchase group health insurance for a MO Health Net participant when it is more cost effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO Health Net funds. The decrease in participants in the HIPP Program in FY 2019 is due to overall decreased enrollment in Medicaid in Missouri, but is still on par with numbers from prior years.

PROGRAM DESCRIPTION

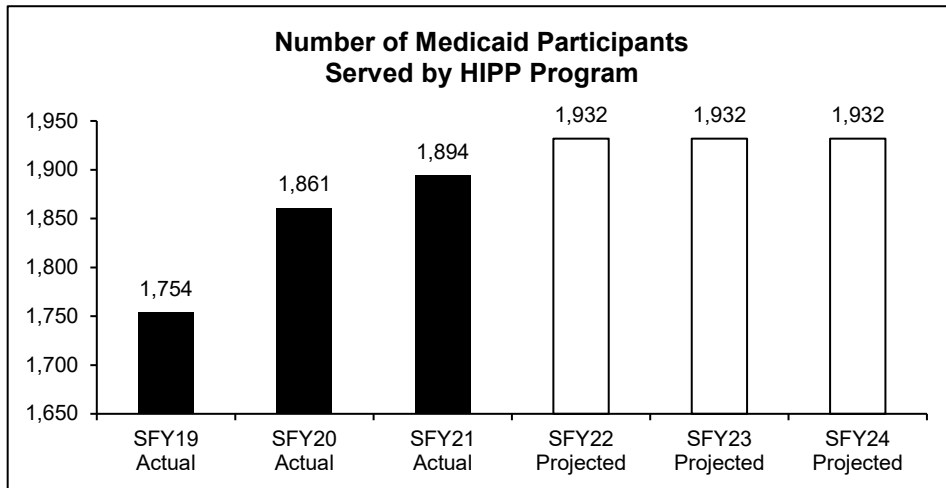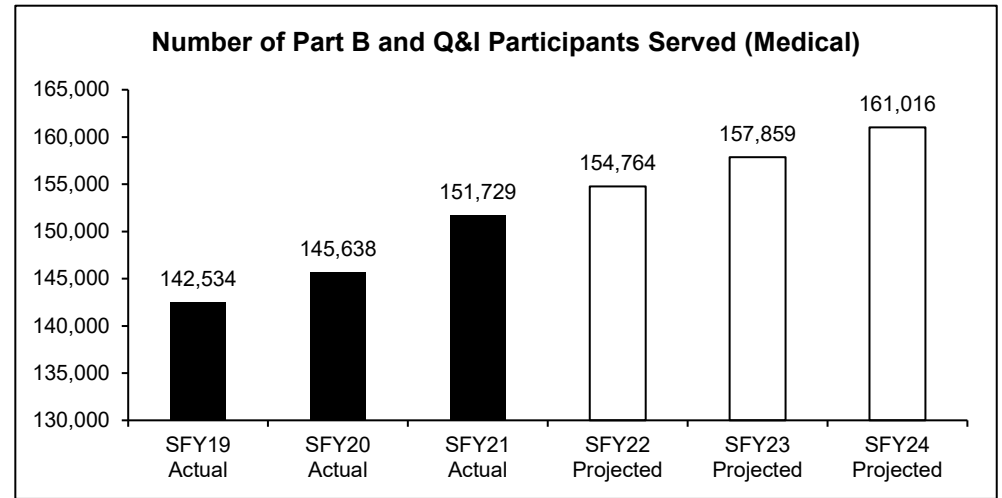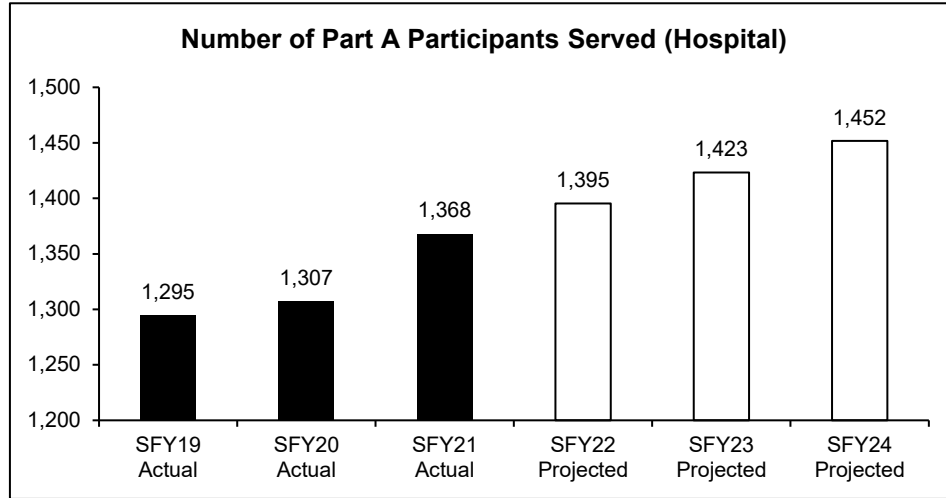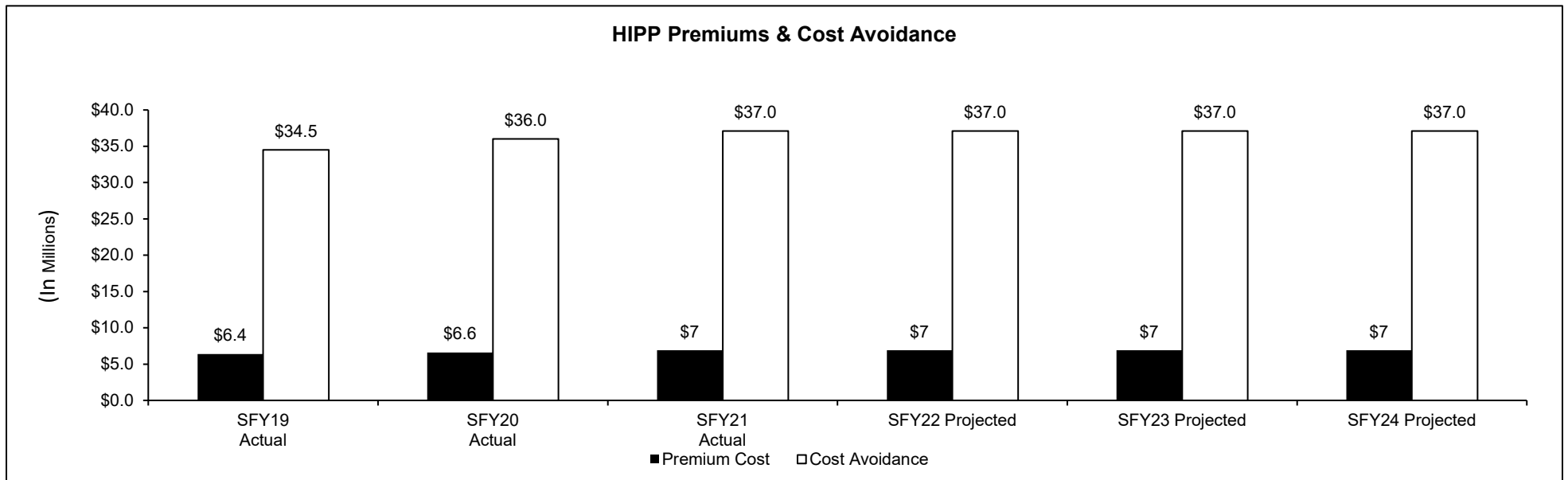**Department: Social Services**   **HB Section(s):   11.725**
Program Name: Premium Payments
Program is found in the following core budget(s): Premium Payments

2d.   **Provide a measure of the program's efficiency.**

Increase cost avoidance by paying for health insurance premiums, coinsurance, and deductibles for the MO HealthNet eligible population when it is cost effective to do so. In FY21, the MO HealthNet Division paid $7 million for health insurance premiums, coinsurance and deductibles and avoided $37 million in costs.

HIPP Premiums & Cost Avoidance

(In Millions)

	SFY19 Actual	SFY20 Actual	SFY21 Actual	SFY22 Projected	SFY23 Projected	SFY24 Projected
Premium Cost	$6.4	$6.6	$7	$7	$7	$7
Cost Avoidance	$34.5	$36.0	$37.0	$37.0	$37.0	$37.0

■ Premium Cost   □ Cost Avoidance
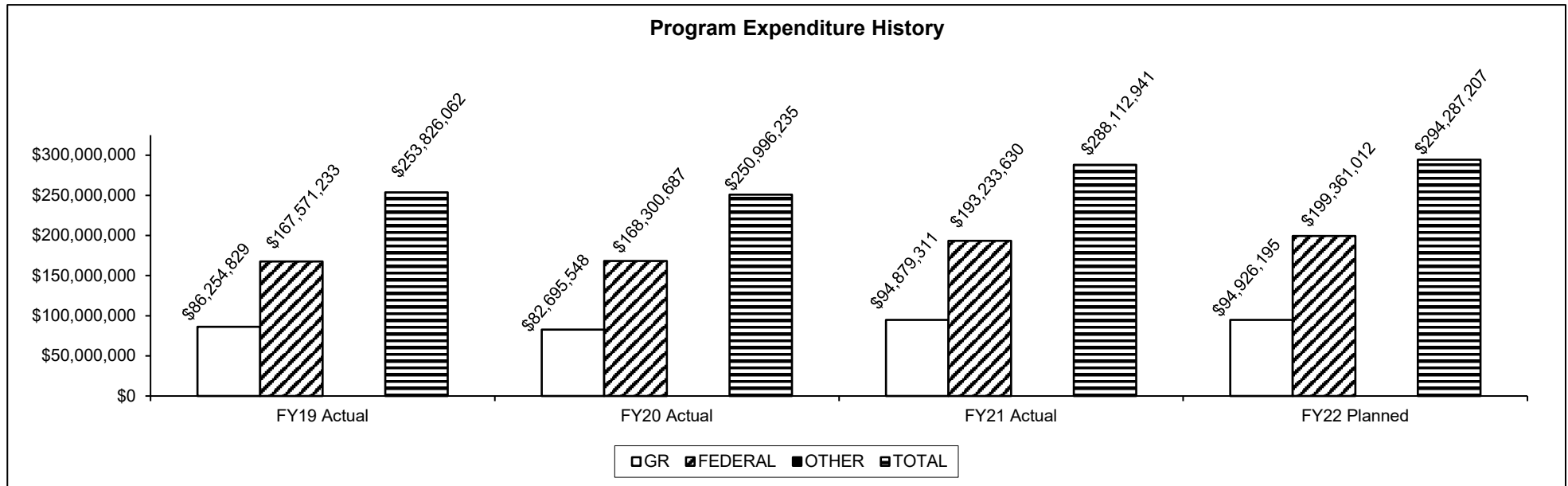
PROGRAM DESCRIPTION

Department: Social Services **HB Section(s):** 11.725
Program Name: Premium Payments
Program is found in the following core budget(s): Premium Payments

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3. Provide actual expenditures for the prior three fiscal years; planned expenditures for the current fiscal year. (*Note: Amounts do not include fringe benefit costs.*)

Program Expenditure History

	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Planned
GR	$86,254,829	$82,695,548	$94,879,311	$94,926,195
FEDERAL	$167,571,233	$168,300,687	$193,233,630	$199,361,012
TOTAL	$253,826,062	$250,996,235	$288,112,941	$294,287,207

□GR ▨FEDERAL ▬OTHER ▤TOTAL

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4. What are the sources of the "Other " funds?

N/A

5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Section 208.153, RSMo.; Federal law: Social Security Act Section 1905(p)(1), 1902(a)(10) and 1906; Federal Regulation: 42 CFR 406.26 and 431.625

6. Are there federal matching requirements? If yes, please explain.

The FMAP (Federal Medical Assistance Percentage) fluctuates annually based on state and national economic and population data, but generally the state matching requirement is around 35% and the federal match is around 65%.

7. Is this a federally mandated program? If yes, please explain.

Yes, if the state elects to have a Medicaid program.

NDI - Premium Increase

NEW DECISION ITEM

Department: Social Services
Division: MO HealthNet Division
DI Name: Premium Increase   DI# 1886031

Budget Unit: **90547C**

HB Section: **11.725**

1. AMOUNT OF REQUEST

	FY 2023 Budget Request					FY 2023 Governor's Recommendation			
	GR	**Federal**	**Other**	**Total**		**GR**	**Federal**	**Other**	**Total**
PS	0	0	0	0	**PS**	0	0	0	0
EE	0	0	0	0	**EE**	0	0	0	0
PSD	5,798,454	12,284,046	0	18,082,500	**PSD**	0	0	0	0
TRF	0	0	0	0	**TRF**	0	0	0	0
Total	**5,798,454**	**12,284,046**	**0**	**18,082,500**	**Total**	**0**	**0**	**0**	**0**
FTE	**0.00**	**0.00**	**0.00**	**0.00**	**FTE**	**0.00**	**0.00**	**0.00**	**0.00**

Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: N/A

Non-Counts: N/A

Other Funds:

Non-Counts:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

Medicare Part A and Part B premiums are adjusted each January by the federal government. Current premium rates (effective January 2022) are $476 per month for Part A and $158.50 per month for Part B. Part A rates are assumed to increase $5 and Part B premium rates are assumed to increase $10 beginning January 2023, and again in January 2024. This request is for the last six months of funding for the calendar year 2022 premium increase and the first six months of funding for the expected premium increase for calendar year 2023.

The Federal Authority is Social Security Act Section 1905(p)(1), 1902(a)(10), and 1906 and Federal Regulations 42 CFR 406.26 and 431.625. The State Authority is Section 208.153, RSMo.

NEW DECISION ITEM

Department: Social Services	Budget Unit: 90547C
Division: MO HealthNet Division	
DI Name: Premium Increase DI# 1886031	HB Section: 11.725

> **4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)**

The number of eligibles was projected based on historical data. The projected premium increases are based on the average increases in premiums for the last few years as well as other information sources. The federal matching rate used is the FY22 FMAP of 66.010%. States are only required to pay the federal share for Qualified Individuals (QIs). A QI is an individual with income between 120% and 135% of the federal poverty level, with assets of $7,860 per individual and $11,800 per couple, indexed each year according to the Consumer Price Index.

	Department Request		
	Part A	**Part B**	**QI**
Eligibles per month (FY22)	1,280	142,041	8,398
Premium Increase (1/22)	$5.00	$10.00	$10.00
Premium Increase (1/22)	$5.00	$10.00	$10.00

Calendar Year 2022 Increase:

Projected average eligibles/month	1,293	142,121	8,417
Premium increase for 2021	$5.00	$10.00	$10.00
Number of months to increase	6	6	6
Projected increase 7/22 - 12/22	**38,790**	**8,527,260**	**505,020**

Calendar Year 2023 Increase:

Projected average eligibles/month	1,317	140,909	8,623
Premium increase for 2022	$5.00	$10.00	$10.00
Number of months to increase	6	6	6
Projected increase 1/23 - 6/23	**39,510**	**8,454,540**	**517,380**

Total Projected Increase SFY23	**78,300**	**16,981,800**	**1,022,400**

	Total	**GR**	**Federal**	
Part A Request	78,300	26,340	51,960	
Part B Request	16,981,800	5,772,114	11,209,686	
Part B QI	1,022,400		1,022,400	QI Federal only
	18,082,500	5,798,454	12,284,046	

258

NEW DECISION ITEM

Department: Social Services
Division: MO HealthNet Division
DI Name: Premium Increase   DI# 1886031

Budget Unit: 90547C

HB Section: 11.725

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	**Dept Req GR DOLLARS**	**Dept Req GR FTE**	**Dept Req FED DOLLARS**	**Dept Req FED FTE**	**Dept Req OTHER DOLLARS**	**Dept Req OTHER FTE**	**Dept Req TOTAL DOLLARS**	**Dept Req TOTAL FTE**	**Dept Req One-Time DOLLARS**
800 - Program Distributions	5,798,454	0.0	12,284,046	0.0	0	0.0	18,082,500	0.0	0
Total PSD	**5,798,454**	**0.0**	**12,284,046**	**0.0**	**0**	**0.0**	**18,082,500**	**0.0**	**0**
Grand Total	**5,798,454**	**0.0**	**12,284,046**	**0.0**	**0**	**0.0**	**18,082,500**	**0.0**	**0.0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a.   **Provide an activity measure(s) for the program.**

Please see the Premium core section for performance measures.

6b.   **Provide a measure(s) of the program's quality.**

Please see the Premium core section for performance measures.

6c.   **Provide a measure(s) of the program's impact.**

Please see the Premium core section for performance measures.

6d.   **Provide a measure(s) of the program's efficiency.**

Please see the Premium core section for performance measures.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2021 ACTUAL DOLLAR	FY 2021 ACTUAL FTE	FY 2022 BUDGET DOLLAR	FY 2022 BUDGET FTE	FY 2023 DEPT REQ DOLLAR	FY 2023 DEPT REQ FTE	************* SECURED COLUMN	************* SECURED COLUMN
PREMIUM PAYMENTS								
Premium Increase - 1886031								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	18,082,500	0.00	0	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**18,082,500**	**0.00**	**0**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$18,082,500**	**0.00**	**$0**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$5,739,018**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$12,343,482**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**